

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 473 Session of 2023

INTRODUCED BY BOSCOLA, TARTAGLIONE, BREWSTER, SANTARSIERO, FONTANA, COSTA AND FARRY, MARCH 15, 2023

AS AMENDED ON THIRD CONSIDERATION, OCTOBER 3, 2023

AN ACT

1 Amending Title 74 (Transportation) of the Pennsylvania
2 Consolidated Statutes, in turnpike, providing for State
3 intercept for unpaid tolls.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Title 74 of the Pennsylvania Consolidated
7 Statutes is amended by adding a section to read:

8 § 8117.1. State intercept for unpaid tolls.

9 ~~(a) Duty of Department of Revenue in intercept of State <--
10 lottery winnings. If a person claims State lottery winnings
11 that exceed \$2,500, the Department of Revenue shall, after
12 making its determination subject to 23 Pa.C.S. § 4308 (relating
13 to lottery winnings intercept):~~

14 ~~(1) In consultation with the commission, make a
15 reasonable effort to determine if the person owes the
16 commission unpaid tolls, including any associated fee or
17 penalty, prior to making a lottery winnings payment.~~

18 ~~(2) If the department determines that the person owes~~

~~1 the commission unpaid tolls, including any associated fee or
2 penalty, intercept and deduct the amount owed from the amount
3 of lottery winnings and remit the deducted amount to the
4 commission for distribution pursuant to applicable law.~~

~~5 (3) Notify the claimant of the remittance to the
6 commission.~~

~~7 (4) Pay the balance of the lottery winnings to the
8 claimant in accordance with law.~~

~~9 (b) Duty of Department of Revenue in intercept of State
10 income tax. If a taxpayer is due a refund of tax under Article
11 III of the act of March 4, 1971 (P.L.6, No.2), known as the Tax
12 Reform Code of 1971, the Department of Revenue shall, after
13 making its determination subject to 23 Pa.C.S. § 4307 (relating
14 to State income tax intercept):~~

~~15 (1) In consultation with the commission, make a
16 reasonable effort to determine if the person owes to the
17 commission unpaid tolls, including any associated fee or
18 penalty, prior to paying the refund.~~

~~19 (2) If the department determines that the person owes
20 the commission unpaid tolls, including any associated fee or
21 penalty, intercept and deduct the amount owed from the refund
22 and remit the deducted amount to the commission.~~

~~23 (3) Notify the taxpayer of the remittance to the
24 commission.~~

~~25 (4) Pay the balance of the refund to the taxpayer in
26 accordance with applicable law.~~

~~27 (c) Right to review. A person whose lottery winnings or tax
28 refund is used to satisfy an owed turnpike toll obligation under
29 this section may appeal in accordance with applicable law. The
30 appeal must be filed within 30 days after the person is notified~~

1 ~~by the Department of Revenue that the winnings or refund have~~
2 ~~been reduced or totally withheld to satisfy the person's~~
3 ~~outstanding toll obligation.~~

4 ~~(d) Administrative fee. The Department of Revenue may~~
5 ~~establish a fee to cover actual costs to administer this section~~
6 ~~and may deduct the fee from the winnings or refund subject to~~
7 ~~intercept under this section.~~

8 (A) DUTY OF DEPARTMENT OF REVENUE IN INTERCEPT OF STATE <--
9 LOTTERY WINNINGS.--IN THE CASE OF A PERSON WINNING A SINGLE
10 LOTTERY PRIZE OF MORE THAN \$2,500 IN THE STATE LOTTERY, THE
11 DEPARTMENT OF REVENUE SHALL, AFTER MAKING ITS DETERMINATION
12 SUBJECT TO SECTION 215 OF THE ACT OF APRIL 9, 1929 (P.L.343,
13 NO.176), KNOWN AS THE FISCAL CODE, AND 23 PA.C.S. § 4308
14 (RELATING TO LOTTERY WINNINGS INTERCEPT) THAT EITHER THE LOTTERY
15 PRIZE IS NOT SUBJECT TO A DEDUCTION FOR DELINQUENT STATE TAX
16 LIABILITY, DELINQUENT COURT-ORDERED OBLIGATIONS FOR CRIMES AS
17 DEFINED IN SECTION 103 OF THE ACT OF NOVEMBER 24, 1998 (P.L.
18 882, NO.111), KNOWN AS THE CRIME VICTIMS ACT, DELINQUENT SUPPORT
19 OR THAT AFTER DEDUCTING FOR THESE DELINQUENCIES, PRIZE AMOUNTS
20 REMAIN THAT CAN BE SUBJECT TO DEDUCTION FOR THE AMOUNT OF THE
21 OUTSTANDING TOLL LIABILITY:

22 (1) IN CONSULTATION WITH THE COMMISSION, MAKE A
23 REASONABLE EFFORT TO DETERMINE IF THE PRIZEWINNER HAS AN
24 OUTSTANDING TOLL LIABILITY, INCLUDING ANY ASSOCIATED FEE OR
25 PENALTY, PRIOR TO PAYING THE LOTTERY PRIZE.

26 (2) IF THE DEPARTMENT OF REVENUE DETERMINES THAT THE
27 PRIZEWINNER HAS AN OUTSTANDING TOLL LIABILITY, INCLUDING ANY
28 ASSOCIATED FEE OR PENALTY, AND THE RIGHT TO APPEAL HAS
29 EXPIRED WITH NO APPEAL HAVING BEEN TAKEN OR IF AN APPEAL HAS
30 BEEN TAKEN, IT HAS BEEN RESOLVED AND IS NOT PENDING,

1 INTERCEPT AND DEDUCT FROM THE LOTTERY PRIZE THE AMOUNT OF
2 OUTSTANDING TOLL LIABILITY AND REMIT THE DEDUCTED AMOUNT TO
3 THE COMMISSION.

4 (3) NOTIFY THE PRIZEWINNER OF THE REMITTANCE TO THE
5 COMMISSION.

6 (4) PAY THE BALANCE OF THE PRIZE TO THE PRIZEWINNER IN
7 ACCORDANCE WITH LAW.

8 (B) DUTY OF DEPARTMENT OF REVENUE IN INTERCEPT OF STATE
9 INCOME TAX.--IF A TAXPAYER IS DUE A REFUND OF TAX UNDER ARTICLE
10 III OF THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX
11 REFORM CODE OF 1971, THE DEPARTMENT OF REVENUE SHALL, AFTER
12 MAKING A DETERMINATION THAT THE REFUND IS NOT SUBJECT TO A
13 DEDUCTION FOR A DELINQUENT STATE TAX LIABILITY, A DELINQUENT
14 CLAIM FOR SUPPORT SUBJECT TO 23 PA.C.S. § 4307 (RELATING TO
15 STATE INCOME TAX INTERCEPT) OR A CLAIM FOR ANY DELINQUENT COURT-
16 ORDERED OBLIGATIONS FOR CRIMES AS DEFINED IN SECTION 103 OF THE
17 CRIME VICTIMS ACT, OR THAT AFTER DEDUCTING FOR ANY OF THOSE
18 CLAIMS, AMOUNTS REMAIN THAT CAN BE SUBJECT TO DEDUCTION, IN
19 WHOLE OR IN PART, FOR THE AMOUNT OF THE OUTSTANDING TOLL
20 LIABILITY:

21 (1) IN CONSULTATION WITH THE COMMISSION, MAKE A
22 REASONABLE EFFORT TO DETERMINE IF THE PERSON OWES TO THE
23 COMMISSION UNPAID TOLLS, INCLUDING ANY ASSOCIATED FEE OR
24 PENALTY, PRIOR TO PAYING THE REFUND.

25 (2) IF THE DEPARTMENT OF REVENUE DETERMINES THAT THE
26 PERSON OWES UNPAID TOLLS TO THE COMMISSION, INCLUDING ANY
27 ASSOCIATED FEE OR PENALTY, AND THE RIGHT TO APPEAL HAS
28 EXPIRED WITH NO APPEAL HAVING BEEN TAKEN OR IF AN APPEAL HAS
29 BEEN TAKEN, IT HAS BEEN RESOLVED AND IS NOT PENDING,
30 INTERCEPT AND DEDUCT THE AMOUNT OWED FROM THE REFUND AND

1 REMIT THE DEDUCTED AMOUNT TO THE COMMISSION.

2 (3) NOTIFY THE TAXPAYER OF THE REMITTANCE TO THE
3 COMMISSION.

4 (4) PAY THE BALANCE OF THE REFUND TO THE TAXPAYER IN
5 ACCORDANCE WITH APPLICABLE LAW.

6 (C) RIGHT TO REVIEW.--A PRIZEWINNER WHOSE PRIZE IS USED TO
7 SATISFY OR PARTIALLY SATISFY A TOLL OBLIGATION UNDER THIS
8 SECTION OR A TAXPAYER WHOSE TAX REFUND IS USED TO SATISFY OR
9 PARTIALLY SATISFY A TOLL OBLIGATION UNDER THIS SECTION MAY FILE
10 AN APPEAL TO CHALLENGE THE TOLL OBLIGATION WITH THE COMMISSION
11 IN ACCORDANCE WITH APPLICABLE LAW. THE APPEAL MUST BE FILED
12 WITHIN 30 DAYS AFTER THE PRIZEWINNER OR THE TAXPAYER IS NOTIFIED
13 BY THE DEPARTMENT OF REVENUE THAT THE WINNINGS OR REFUND HAVE
14 BEEN REDUCED OR TOTALLY WITHHELD TO SATISFY THE PRIZEWINNER'S OR
15 THE TAXPAYER'S OUTSTANDING TOLL OBLIGATION.

16 (D) ADMINISTRATIVE FEE.--THE DEPARTMENT OF REVENUE MAY
17 ESTABLISH A FEE OF \$20 PER INTERCEPT TO COVER ACTUAL COSTS TO
18 ADMINISTER THIS SECTION AND MAY DEDUCT THE FEE FROM THE PRIZE OR
19 REFUND SUBJECT TO INTERCEPT UNDER THIS SECTION.

20 (e) Report.--The Department of Revenue, in consultation with
21 the commission, shall annually report to the Transportation
22 Committee of the Senate and the Transportation Committee of the
23 House of Representatives the amount of unpaid tolls collected
24 under this section.

25 (f) Rules and regulations.--The Department of Revenue, in
26 consultation with the commission, may promulgate the rules and
27 regulations necessary to carry out this section.

28 (g) Duty of commission.--The commission shall provide to the
29 Department of Revenue information necessary to fulfill the
30 department's duties under this section.

1 (h) Construction.--Nothing in this section shall be
2 construed to provide a right to payment or intercept by the
3 commission that has priority to the right to payment or
4 intercept by another State agency as provided ~~by law~~ UNDER <--
5 SECTION 215 OF THE FISCAL CODE AND 23 PA.C.S. § 4308.

6 Section 2. This act shall take effect ~~in 90 days~~ ON JULY 1, <--
7 2024, OR IN 180 DAYS, WHICHEVER IS LATER.