

# Tax Credit and Tax Benefit Accountability Report

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### **Introduction**

In compliance with Article XVII-A.1 of the Tax Reform Code of 1971, as amended under Act 25 of 2021, the Department of Revenue “Department” has implemented requirements for the collection and reporting of information to the Independent Fiscal Office (IFO) for tax credit and tax benefit programs.

The Department, acting on behalf of each administering agency: Department of Community and Economic Development, State Conservation Commission and Pennsylvania Housing Finance Agency shall provide the information submitted under subsection (c)(2) to the IFO for use in preparing a Tax Credit Report under Section 5 of the Act of October 30, 2017 (p.l.797, no.48), known as the Performance-Based Budgeting and Tax Credit Efficiency Act.

### **Electronic Filing Requirement**

In our continuing effort to promote “Government that Works,” the Tax Credit and Tax Benefit Accountability Report must be filed online. The Department will not accept the report in any other format.

### **Filing Requirement**

All participants in “tax credit” and “tax benefit” programs are required to file the Tax Credit and Tax Benefit Accountability Report.

Specifically, the report must be filed:

- Within 45 days of filing an annual tax return, beginning the 1<sup>st</sup> year the tax credit or tax benefit is awarded and ending after the credit or benefit has been fully utilized.

### **Definitions**

“**Tax benefit**” - Any program established by the Commonwealth in which an applicant applies for and receives any of the following: a tax abatement, tax credit, exemption, deduction, grant or monetary distribution under the following programs:

- City Revitalization and Improvement Zone Program
- Computer Data Center Equipment Incentive Program
- Computer Data Center Equipment Exemption Program
- Infrastructure and Facilities Improvement Program
- Keystone Opportunity Zone Program
- Keystone Expansion Zone Program
- Keystone Opportunity Improvement Zone Program
- Military Installation Remediation Program
- Neighborhood Improvement Zone Program
- Qualified Manufacturing Innovation and Reinvestment Deduction Program
- Strategic Development Area Program
- Other – any new tax benefit programs not listed

**"Tax credit"** - Any program established by the Commonwealth in which an applicant applies for and receives a credit against a tax. It does not apply to a credit against a tax liability as a result of an overpayment under the following programs:

- Coal Refuse Energy and Reclamation Tax Credit
- Community-Based Services Tax Credit
- Educational Tax Credit Program
- Employment Incentive Payments
- Entertainment Production Tax Credit
- Film Production Tax Credit
- Film Production Tax Credit District
- Historic Preservation Incentive Tax Credit
- Innovate in Pa Tax Credit
- Keystone Innovation Zone Tax Credit
- Keystone Special Development Zone Program
- Local Resource Manufacturing Tax Credit
- Malt Beverage Tax
- Manufacturing and Investment Tax Credit
- Mixed-Use Development Tax Credit
- Mobile Telecommunications Broadband Investment Tax Credit
- Neighborhood Assistance Tax Credit
- Opportunity Scholarship Tax Credit Program
- Organ and Bone Marrow Donation Credit
- PA Housing Tax Credit
- Research and Development Tax Credit
- Resource Enhancement and Protection Tax Credit
- Resource Manufacturing Tax Credit
- Rural Jobs Investment Tax Credit
- Tax Credit for New Jobs
- Tax Credits Relating to Beginning Farmers
- Video Game Production Tax Credit
- Waterfront Development Tax Credit
- Other – any new tax credit programs not listed.

### **Help and Assistance**

Contact [ra-rveconomic-dev@pa.gov](mailto:ra-rveconomic-dev@pa.gov) with any questions pertaining to the submission of the report.

### **Accessing the Tax Credit and Tax Benefit Accountability Report Webpage**

The Tax Credit and Tax Benefit Accountability Report webpage is accessible by visiting <https://www.revenue.pa.gov/IncentivesCreditsPrograms> and selecting the Tax Accountability Report.

**Section I – General Information**

Upon accessing the report, the user is required to identify the awardee or participant in the tax credit or tax benefit program, address and contact information.

General Information

Business Contact's First Name \*

Joseph

Business Contact's Last Name \*

Springreii

FEIN \*

00-0000000

PATH ID

0000000000

Revenue ID

0000000000

Business Contact's Email Address \*

jSpringreii@Springreii.com

Business Name \*

Springreii and Company

Business Street Address Line 1 \*

45 Springreii Lane

Business Street Address Line 2

City \*

Harrisburg

State/Province \*

PA

Postal Code \*

17128

Country \*

United States

International Calling Code

United States +1

Business Telephone Number \*

717-772-3896

Telephone Extension

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The user must select the option to complete the report for a “tax credit” or “tax benefit” program.

**NOTE:** A new report is required for each tax credit or tax benefit program the user is required to fulfill the filing obligation.

**Do you wish to report a tax credit or benefit? \***

Tax Benefit

Tax Credit

Upon completing the information on the General Information page, the user must complete a captcha before selecting the Next Button.



Generate a new image

Play the audio code

r9xkvgs

Enter the code from the image

**Next**

### Section II – Tax Credit Information and Reporting Questionnaire

If “tax credit” was selected from the General Information page, the Tax Credit Information and Reporting Questionnaire will be populated within the fields on this page.

There are 5 main components to the questionnaire:

1. Program Identification
2. Award Identification
3. Credit Utilization
4. Impact Reporting
5. Sale and Assignment Identification

#### Program Identification

The user is required to use the drop down menu to identify the tax credit program.

### Tax Credit Information and Reporting Questionnaire

Please select the program for the tax credit that was awarded from the list below.

- Coal Refuse Energy and Reclamation Tax Credit
- Community-Based Services Tax Credit
- Educational Tax Credit Program
- Employment Incentive Payments
- Entertainment Production Tax Credit
- Film Production Tax Credit
- Film Production Tax Credit District
- Historic Preservation Incentive Tax Credit
- Innovate in Pa Tax Credit
- Keystone Innovation Zone Tax Credit
- Keystone Special Development Zone Program
- Local Resource Manufacturing Tax Credit
- Malt Beverage Tax
- Manufacturing and Investment Tax Credit
- Mixed-Use Development Tax Credit
- Mobile Telecommunications Broadband Investment Tax Credit
- Neighborhood Assistance Tax Credit
- Opportunity Scholarship Tax Credit Program
- Organ and Bone Marrow Donation Credit
- PA Housing Tax Credit
- Research and Development Tax Credit
- Resource Enhancement and Protection Tax Credit
- Resource Manufacturing Tax Credit
- Rural Jobs Investment Tax Credit
- Tax Credit for New Jobs
- Tax Credits Relating to Beginning Farmers
- Video Game Production Tax Credit
- Waterfront Development Tax Credit
- Other – any new tax credit programs not listed.

**Award Identification**

After the program has been identified from the drop down menu, the user is required to identify the: Transferable Tax Credit Award ID, Amount Awarded and Date of the Award.

*This information can be found on the award letter or tax credit certificate issued by the administering agency through which the credit application was submitted and approved through.*

Transferrable Tax Credit Award ID	Amount Awarded	Date of Award
202012345	100,000.00	05/01/2020

**Credit Utilization**

Following the identification of the award, the user must report how the credit was utilized in the aggregate under the award ID. This may include several years of utilizations, if the credit was carried forward and used annually over a period of time since the initial award date.

Amount Carried Forward	Amount Passed Through	Amount Utilized by Awardee
80,000.00	20,000.00	0.00

*Example: If a taxpayer is awarded \$100,000.00 in tax credits on 5/1/20 and passes through \$10,000 in Calendar Year 2020 and \$10,000 in Calendar Year 2021, the taxpayer would have utilized 20,000 total and carried forward \$80,000.00.*

*The taxpayer will continue to file a Tax Credit and Tax Benefit Accountability Report annually, until the credit is fully utilized and information from this section will be updated per report filed.*

**Impact Reporting**

The user is required, if applicable, to provide the total of expenses and jobs generated as a result of the receipt of the tax credit.

If applicable, please provide a total of expenses and jobs generated as a result of the receipt of the tax credit or tax benefit.

Expenses	Jobs Generated
2,000,000.00	44

### Sale and Assignment Identification

The user is required to report if the credit was sold or assigned.

#### Was part of the credit sold or assigned

- If the user selects No, the user, upon selecting the Next Button, will be redirected to the Acknowledgement Page.
- If the user selects Yes, the user, upon selecting the Next Button, will be redirected to the Tax Credit Sale/Assignment page.

### Tax Credit Sale/Assignment Transactions

Users that sold or assigned all or part of the tax credit, identified in the Tax Credit Information and Reporting Questionnaire are required to record each transaction that was conducted with a Buyer or Assignee.

In order to record each transaction, the user must select the “Add Transaction” Button.

#### Tax Credit Sale / Assignment Information

Please select "Add Transaction" to report each sale or assignment of tax credits. The summary of the transactions will be shown below.

Add Transaction

Name of the Recipient

Amount Sold / Assigned

Once the Add Transaction button is selected, the user will identify the following:

- Name of the recipient
- Amount of tax credits sold or assigned to the recipient

Name of the Recipient

Amount of Tax Credits Sold or Assigned to the Recipient

MBFFZ Bank

10,000.00

If a tax credit broker was used for the transaction, the user must identify the broker and if available, the broker registration number.

Name of Broker

Registration Number of Broker

ABCDEG LLC

2021000145

The user will select the Add Button to return to the Tax Credit Sale/Assignment summary table.

Add

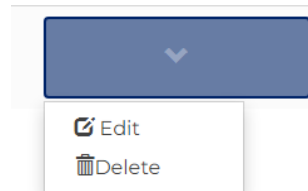
## Tax Credit Sale / Assignment Information

Please select "Add Transaction" to report each sale or assignment of tax credits. The summary of the transactions will be shown below.

Add Transaction

Name of the Recipient	Amount Sold / Assigned	
MBFFZ Bank	10,000.00	▼

If the credit was sold or assigned to different buyers or assignees during the reporting period, or over multiple years, each transaction must be recorded. The user will select the Add Transaction button for each sale or assignment transaction.



The table can be edited, using the V symbol button to edit or delete each transaction.

If the user has no further transactions to report, the user will select the Next Button to proceed to the Acknowledgement Page.

Next

### Section III – Tax Benefit Information and Reporting Questionnaire

If “tax benefit” was selected from the General Information page, the Tax Benefit Information and Reporting Questionnaire will be populated within the fields on this page.

There are 2 main components to the questionnaire:

1. Program Identification
2. Impact Reporting



### Program Identification

The user is required to use the drop down menu to identify the tax credit program.

## Tax Benefit Information and Reporting Questionnaire

Please select the program for the tax benefit that was awarded from the list below.

### Select Tax Benefit Program

- City Revitalization and Improvement Zone Program
- Computer Data Center Equipment Incentive Program
- Computer Data Center Equipment Exemption Program
- Infrastructure and Facilities Improvement Program
- Keystone Opportunity Zone Program
- Keystone Expansion Zone Program
- Keystone Opportunity Improvement Zone Program
- Military Installation Remediation Program
- Neighborhood Improvement Zone Program
- Qualified Manufacturing Innovation and Reinvestment Deduction Program
- Strategic Development Area Program
- Other – any new tax benefit programs not listed

### Impact Reporting

The user is required, if applicable, to provide answers to questions as a result of participation in the tax benefit program.

Total Amount of Sales Tax Exempted from purchases with the use of a Certificate of Exemption, issued as a tax benefit within your program

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Total Expenses Incurred as a Result of Participation in the Tax Benefit Program

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Total Jobs Created as a Result of Participation in the Tax Benefit Program

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Total Capital Investment as a Result of Participation in the Tax Benefit Program

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Total Deduction as a Result of Participation in the Tax Benefit Program

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Total Grant Monies Received as a Result of Participation in the Tax Benefit Program

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The user will select the Next Button to proceed to the Acknowledgement Page.

Next

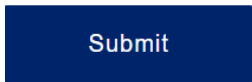
#### **Section IV – Acknowledgement**

Users are required to check the acknowledgement box to submit the report.

By checking the box, the user is signing this form electronically and consenting to this request being governed by Pennsylvania’s Electronic Transactions Act, 73 P.S. § 2260.101, et seq.

By completing this action, the user understands and agrees that the selected "I Accept" check box, constitutes as an Electronic Signature (e-Signature), and the e-Signature is the legal equivalent of a handwritten signature.

Once the box is checked, the user must select the Submit Button.



#### **Email Confirmation**

The user that completed the report, will receive a confirmation email, immediately after submission of the report, which should be kept for records.