

PENNSYLVANIA RESOURCE MANUFACTURING TAX CREDIT REPORT

AWARD YEAR 2024

Pursuant to § 1707-A.1. of the Tax Reform Code of 1971, the Department of Revenue is required to furnish a report for each tax credit it administers. Details regarding the Pennsylvania Resource Manufacturing Tax Credit (PRM) awarded in 2024 may be found below.

DESCRIPTION OF TAX CREDIT

The PRM tax credit is available to business entities purchasing ethane for use in manufacturing ethylene at a facility in the commonwealth that has made a capital investment of at least \$1 billion and created at least 2,500 full-time equivalent jobs during the construction phase.

The PRM tax credit is equal to \$0.05 per gallon of ethane purchased (\$2.10/barrel) for the period from January 1, 2017 to December 31, 2042. The credit may be used to offset a taxpayer's liabilities for Personal Income tax, Corporate Net Income Tax, Capital Stock and Foreign Franchise Tax, Bank Shares Tax, Title insurance Company Shares Tax, Insurance Premiums Tax, and Mutual Thrift Institutions Tax.

A taxpayer may use this credit to reduce their tax liability by a maximum of 20 percent for any tax year in which it is awarded. Within one year after the PRM credit is approved, a taxpayer can apply to DCED for approval to assign or sell eligible credits to another taxpayer. The eligible buyer of the credit may use the purchased credits to offset up to 50 percent of its Pennsylvania tax liabilities. The credit can be assigned to related entities.

NAME OF EACH AWARDEE AND AWARDED AMOUNT

NAME	AMOUNT
Shell Chemical Appalachia, LLC	\$27,268,868

SALES, ASSIGNMENTS, & TRANSFERS IN PRIOR PROGRAM YEAR

Act 25 of 2021 mandated reporting requirements regarding the sale and transfer of PRM tax credits in addition to the awardee information above. The table below includes all sales through April 12, 2024.

AWARD YEAR	SELLER	PURCHASER	CREDIT AMOUNT	PURCHASE PRICE
2023	Shell Chemical Appalachia, LLC	Erie Indemnity Company	\$4,953,971	\$4,706,273

ITEMIZATION OF EXPENSES AND JOBS GENERATED AS A RESULT OF THE RECEIPT OF THE TAX CREDIT OR TAX BENEFIT

The taxpayer satisfied the minimum investment and job creation requirements of the tax credit.