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PENNSYLVANIA TAX AMNESTY PROGRAM UNDERWAY UNTIL JUNE 19

On April 21, the Pennsylvania Department of Revenue announced the launch of the 2017 **Tax Amnesty program**. Eligible individuals and businesses can apply now through June 19, 2017 to pay past-due state taxes and have all penalties and half of the interest waived.

"The overwhelming majority of individuals and businesses pay their state taxes on time, but for those living with the burden of unpaid taxes, this program is an opportunity to get relief," said Acting Revenue Secretary C. Daniel Hassell. "The application process is easy, but time is critical as this opportunity only lasts 60 days."



Acting Secretary of Revenue C. Daniel Hassell launches the Pennsylvania Tax Amnesty Program during a news conference at the state Capitol on April 21.

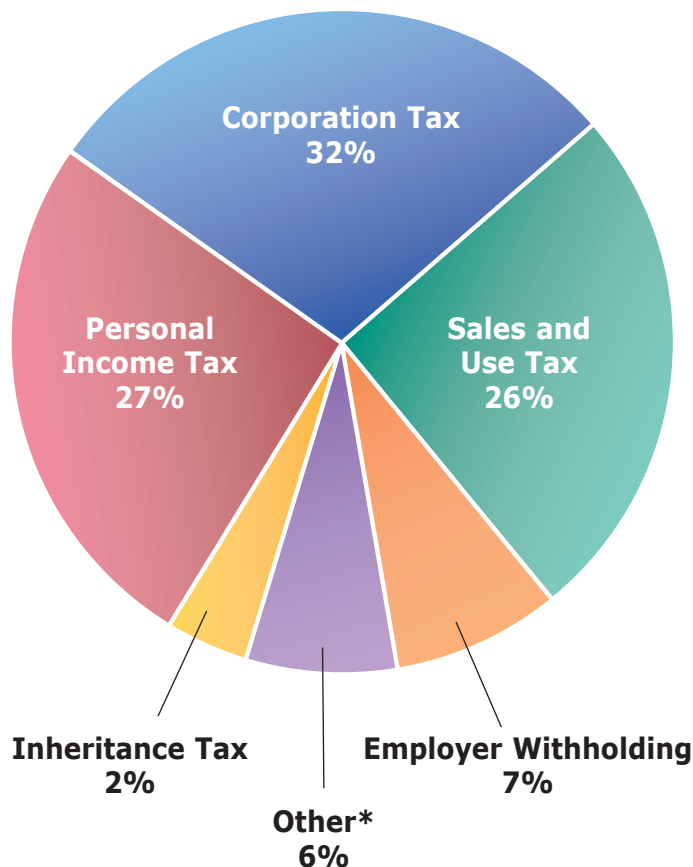
Act 84 of 2016 authorized a tax amnesty to net an estimated \$100 million for the current year fiscal budget. Pioneer Credit Recovery is assisting the Department of Revenue with the administration of the program under requirements established by state law and the department.

Most individuals and businesses are eligible if they have unfiled tax returns, or unpaid or underpaid taxes due by the end of 2015. More than 30 state taxes administered by the department are eligible with some restrictions.

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PA TAX DELINQUENCIES BY TAX TYPE



* Includes Cigarette, Realty Transfer, Motor Fuels and other taxes.

Those who owe back tax are encouraged to visit www.backtax.pa.gov or call 1-844-PA-STATE-TAX (1-844-727-8283) to apply for tax amnesty and make the required payment by June 19.

The Department of Revenue is mailing letters to approximately 800,000 known delinquent taxpayers with information about how to participate. As an incentive to those who have been flying under

the radar, individuals and businesses with tax liabilities unknown to the department only have to file and pay taxes dating back to Jan. 1, 2011.

All tax amnesty payments must be made in full by June 19. Payments will be accepted by check, money order, credit/debit card or electronic funds transfer.

Adding to the urgency of the program, eligible individuals and businesses that fail to take advantage of the Tax Amnesty program will receive a 5 percent penalty on their unpaid amnesty eligible delinquencies after the program.

Delinquent taxpayers from all Pennsylvania counties and every U.S. state owe \$3.47 billion in Pennsylvania taxes that may be eligible for the Tax Amnesty program. Of that total, \$1.1 billion is delinquent from 2005 and earlier, \$889 million is under appeal, and \$2.2 billion represents delinquent tax and with rest interest, penalties, and fees.

Approximately 21 percent of delinquent taxpayers are from out of state, including 68,700 taxpayers in Delaware, New York, New Jersey, Maryland and West Virginia.

Businesses owe 65 percent of the back taxes in corporation taxes, employer withholding taxes and sales tax. Delinquent sales tax accounts for 26 percent of the total.

Individuals and businesses that participated in the 2010 Tax Amnesty are ineligible for this program.

Taxpayers can get more information, including eligibility requirements, at backtax.pa.gov or by calling the toll-free hotline 1-844-PA-STATE-TAX (1-844-727-8283) from 8:00 a.m. to 10 p.m., Monday through Thursday, from 8:00 a.m. to 6 p.m., on Fridays, and 8:00 a.m. to 1 p.m. on Saturdays.

Apply by June 19th at backtax.pa.gov | 1-844-PA-STATE-TAX (1-844-727-8283)

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Total PA Taxpayers Eligible For Tax Amnesty: 680,090					
County	Delinquents	County	Delinquents	County	Delinquents
Adams	3,903	Delaware	41,752	Montgomery	54,769
Allegheny	59,676	Elk	1,023	Montour	555
Armstrong	2,098	Erie	11,280	Northampton	16,057
Beaver	6,780	Fayette	5,603	Northumberland	3,119
Bedford	1,581	Forest	244	Perry	1,798
Berks	17,028	Franklin	4,750	Philadelphia	132,336
Blair	4,281	Fulton	598	Pike	4,618
Bradford	2,928	Greene	1,463	Potter	873
Bucks	41,581	Huntingdon	1,213	Schuylkill	5,235
Butler	6,988	Indiana	3,019	Snyder	1,063
Cambria	4,049	Jefferson	1,552	Somerset	2,491
Cameron	203	Juniata	661	Sullivan	334
Carbon	3,227	Lackawanna	12,071	Susquehanna	2,523
Centre	4,213	Lancaster	20,175	Tioga	1,909
Chester	29,695	Lawrence	4,098	Union	1,228
Clarion	1,158	Lebanon	4,424	Venango	1,786
Clearfield	2,600	Lehigh	18,048	Warren	1,605
Clinton	1,168	Luzerne	15,914	Washington	9,084
Columbia	2,418	Lycoming	4,627	Wayne	3,085
Crawford	3,382	McKean	1,820	Westmoreland	15,026
Cumberland	10,637	Mercer	4,285	Wyoming	1,644
Dauphin	15,134	Mifflin	1,421	York	18,813
		Monroe	13,547	Out of state	182,508

NEW SALES AND USE TAX REFUND APPEAL SCHEDULES

The Board of Appeals has introduced two new appeal schedules for sales and use tax refund petitions. The existing REV-39 Appeal Schedule was revised to provide more information in an electronic spreadsheet format for ease of processing.

The Board is also introducing a new Summary Appeal Schedule to provide a high-level overview of large petitions for refund with the petition. The Summary Schedule may be filed to determine if the department intends to refer the refund request for a field audit review prior to submission of all of the evidence supporting the claim.

The new forms were launched in conjunction with the recently issued Sales and Use Tax Bulletin

2017-01, to improve overall tax compliance and to improve the efficiency of reviewing these requests. Large refund requests may be addressed through the field audit process.

The revised Sales and Use Tax Appeal Schedule (REV-39) has four sections. Sections I, II and III must be completed and include all of the requested information in all columns for those sections. Section IV is to be used if additional information is needed to establish the requested refund.

When possible, this information should be in an electronic format and included with the filing of the petition for refund. The Board may require additional information, if necessary. Failure to

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REVENUE DEPARTMENT COLLECTS \$1.5 MILLION WITH INNOVATIVE HOME-SHARING INITIATIVE

As part of Governor Wolf's GO-TIME initiative to reduce costs and improve efficiency in government, the Department of Revenue has collected an additional \$1.5 million in hotel occupancy tax through an innovative outreach and education program.

Pennsylvania is an incredibly popular destination for tourists and business, and travelers are increasingly going online to book a room, apartment, or house for lodging. Those short-term stays are subject to the state's hotel occupancy tax, the same as using a hotel or bed and breakfast.

Under Pennsylvania law, anyone who rents out lodging to the same person for less than 30 consecutive days must collect and remit the state's 6 percent hotel occupancy tax.

The department collects an additional 1 percent tax in Allegheny and Philadelphia counties. Both

counties, and many other local governments, impose and collect a separate hotel tax.

To make hosts aware of their tax responsibility to collect and remit the state tax, the department launched a one-of-a-kind initiative to share information and help them comply with the law.

Home-sharing websites and other intermediaries or brokers are not required to collect the hotel occupancy tax; however the home-sharing company Airbnb began collecting the tax last year as part of a separate initiative, which is not included in the \$1.5 million total.

If the hotel occupancy tax is not collected by the intermediary or broker, the tax should be reported to the department on a sales tax return. In either case, income from home sharing should be reported on the taxpayer's Pennsylvania personal income tax return.



GETTING TAX ANSWERS MADE EASY

The department's **Online Customer Service Center** is an easy and secure way to get answers to **3,000** frequently asked questions or submit your own.

Step 1:

Go to revenue.pa.gov and select **GET ASSISTANCE**

Step 2:

Click **Online Customer Service Center** to review frequently asked questions.

Step 3:

Submit your own questions by following the prompts and **attach** relevant documents.

You will receive an email notification when your question is answered. Log in to the secure portal and view the response.

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complete the REV-39 in the format requested and/or to provide any of this information may result in the dismissal of the petition. The appeal schedule may be accessed at this link and will be required in this format for all petitions filed on or after June 1, 2017.

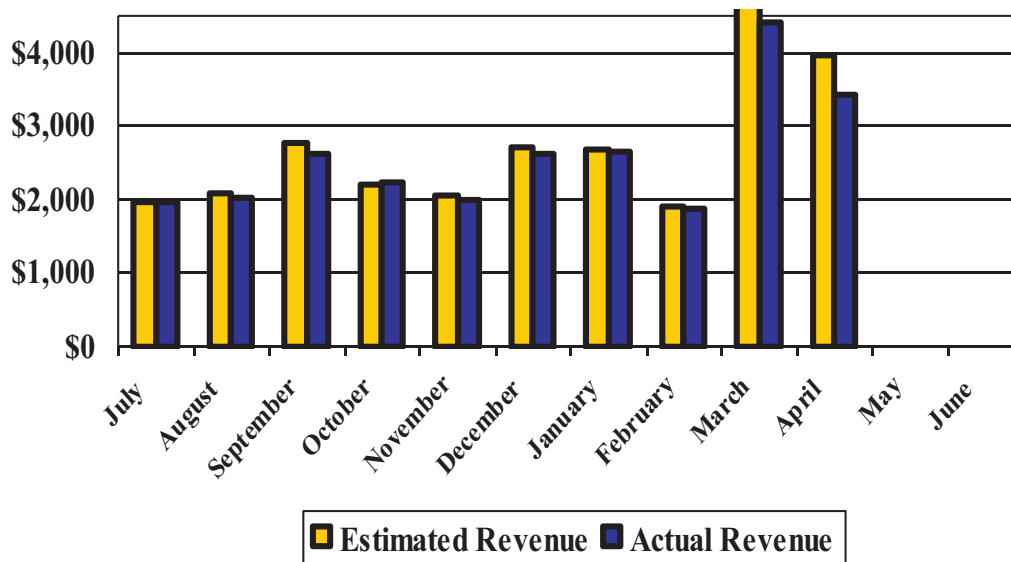
In order to avoid duplication of effort, the Summary Schedule may be filed when a petition for refund requests \$100,000 or more. The Summary Schedule

only requires the petitioner to summarize the refund amount requested for each year by number of transactions and dollar value of each issue raised in the petition. If the Summary Schedule is not included with the petition for refund, the Board will not request this information and may still dispose of the petition for refund by referring it for a field audit. The Summary Schedule may be accessed at [this link](#).

2016-2017 General Fund Revenues

Estimated versus Actual Revenue Collections (in millions)

Fiscal year-to-date General Fund collections totaled \$25.8 billion, which is \$1.2 billion, or 4.5 percent, below estimate.



TAX PROFESSIONAL E-SERVICES CENTER

Tax professionals are encouraged to use the department's Tax Professional e-Services Center for easy access to clients' tax information.

Visit the department's [Online Customer Service Center](#) or call 717-787-1392.

