

Regulation-Pronouncement Status Report
PA DEPARTMENT OF REVENUE
OFFICE OF CHIEF COUNSEL
REGULATION - PRONOUNCEMENT STATUS REPORT
2nd Quarter, 2024

Corporate Net Income Tax – 61 Pa. Code, Chapter 153
(Proposed Rulemaking) - Business income and nonbusiness income

STATUS: Under the authority contained in section 6 of the Fiscal Code (72 P.S. § 6) and section 401 of the TRC (72 P.S. § 7401(3)), the Department is proposing amendments to the Corporate Net Income Tax regulations by adding section 153.24a (relating to business and nonbusiness income) due to legislative changes and further development of the Unitary Business Principle of the U.S. Constitution in case law. Informal Public Outreach was conducted in the 1st Quarter 2020. The Office of General Counsel (OGC) and the Governor’s Budget and Policy Offices (GBO/GPO) approved the proposed rulemaking. The regulatory package was submitted to the Office of Attorney General (OAG) for review. During the 2nd Quarter 2024, the proposed rulemaking remains under review by OAG.

Corporate Net Income Tax – 61 Pa. Code § 153.26a
(Proposed Rulemaking) - Sales factor sourcing sales of services

STATUS: Under the authority contained in section 6 of the Fiscal Code (72 P.S. § 6) and section 401 of the TRC (72 P.S. § 7401(3)), the Department proposes the addition of § 153.26a (relating to sales factor sourcing sales of services). Act 52 of 2013, enacted a revised methodology for sourcing revenue from the sales of services in the computation of corporate net income tax. The proposed rulemaking will establish the processes for sourcing service income and the apportionment of taxpayers’ business income to this Commonwealth and ensure that all taxpayers implement uniform methods for sourcing their sales of services to this Commonwealth. Informal Public Outreach was conducted October/November 2020. During the 2nd Quarter 2024, the Department will continue the drafting process.

Personal Income Tax – 61 Pa Code §§ 5.1 et. seq.
(Proposed Rulemaking) - Amendments [Payment by Electronic Funds Transfer] Payment Methods for Obligations Due the Commonwealth
(61 Pa. Code, Part I, Subpart A, Chapter 5)

STATUS: Under the authority contained in section 9 of The Fiscal Code (72 P.S. § 9), the Department and Treasury jointly propose amendments to Chapter 5, Payment Methods for Obligations Due the Commonwealth. The proposed rulemaking will be adding additional tax types such as 1099-Miscellaneous Withholding, Alternative Fuels Tax, Cigarette Tax, Consumer Fireworks Tax, Pari-Mutuel Tax, Public Transportation Assistance Taxes and Fees, Tavern Games Tax, Tobacco Products Tax, Unstampable Little Cigar Tax, Vehicle Rental Tax, Wine Excise Tax, the addition of credit/debit as an acceptable form of electronic payment and remove any reference to a specific address for the delivery of certified or cashier’s checks. Informal public outreach was conducted July/August 2022. The Office of General Counsel (OGC) and the Governor’s Budget and Policy Offices (GBO/GPO) approved the proposed rulemaking. The regulatory package was submitted to the Office of Attorney General (OAG) for review. During the 2nd Quarter 2024, the proposed rulemaking remains under review by OAG.

INFORMATION: A copy of a regulation or pronouncement is available upon request once a regulatory document has reached the public outreach stage in the Department’s internal regulatory process. A request for a document or an interim status should be directed to Maria L. Miller, Regulatory Coordinator, PA Department of Revenue, Office of Chief Counsel, P.O. Box 281061, Harrisburg, PA 17128-1061.