

Notification of Sales, Use and Hotel Occupancy Tax Change, Effective Oct. 1, 2012:

Effective October 2012 with the passage of Act 85 of 2012, businesses with a prepayment obligation for sales, use and hotel occupancy tax may be eligible to use an alternate prepayment calculation method if they have an actual tax liability under \$100,000 for the third quarter (July, August and September) of 2011. Businesses required to make prepayments for sales, use and hotel occupancy tax by the 20th of each month and having an actual tax liability for the third quarter of the previous year of at least \$25,000 but less than \$100,000, now have two prepayment calculation options. The additional calculation option will allow businesses to adapt to monthly sales fluctuations while remaining compliant with the prepayment obligation. Businesses with an actual tax liability of \$100,000 or more for the third quarter of the previous year cannot use the alternate calculation method.

Starting with the October 2012 prepayment due, Oct. 22, 2012:

- Taxpayers that remit \$25,000 or more but less than \$100,000 (in the third quarter 2011), can remit:
 - 50 percent of the actual tax liability for the same month of the previous year, **or**
 - At least 50 percent of the actual tax liability for the current period (new calculation method)
- Taxpayers that remit \$100,000 or more (in the third quarter 2011), must remit:
 - 50 percent of the actual tax liability for the same month of the previous year (no changes or other option)

Note: Separate payments must be remitted for the current month's prepayment and the prior month's tax liability.

All businesses making prepayments should register to file and remit online using e-TIDES. This free electronic filing method will reduce unnecessary filing errors and assessments. Businesses not currently registered to file using e-TIDES should visit www.etides.state.pa.us to register.

For more information about this change, or for a schedule of return and prepayment due dates (REV-819), please visit the department's Online Customer Service Center at www.revenue.state.pa.us.