



**pennsylvania**  
DEPARTMENT OF REVENUE

# TAX UPDATE

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Tax Update is a bi-monthly e-newsletter published  
by the Pennsylvania Department of Revenue

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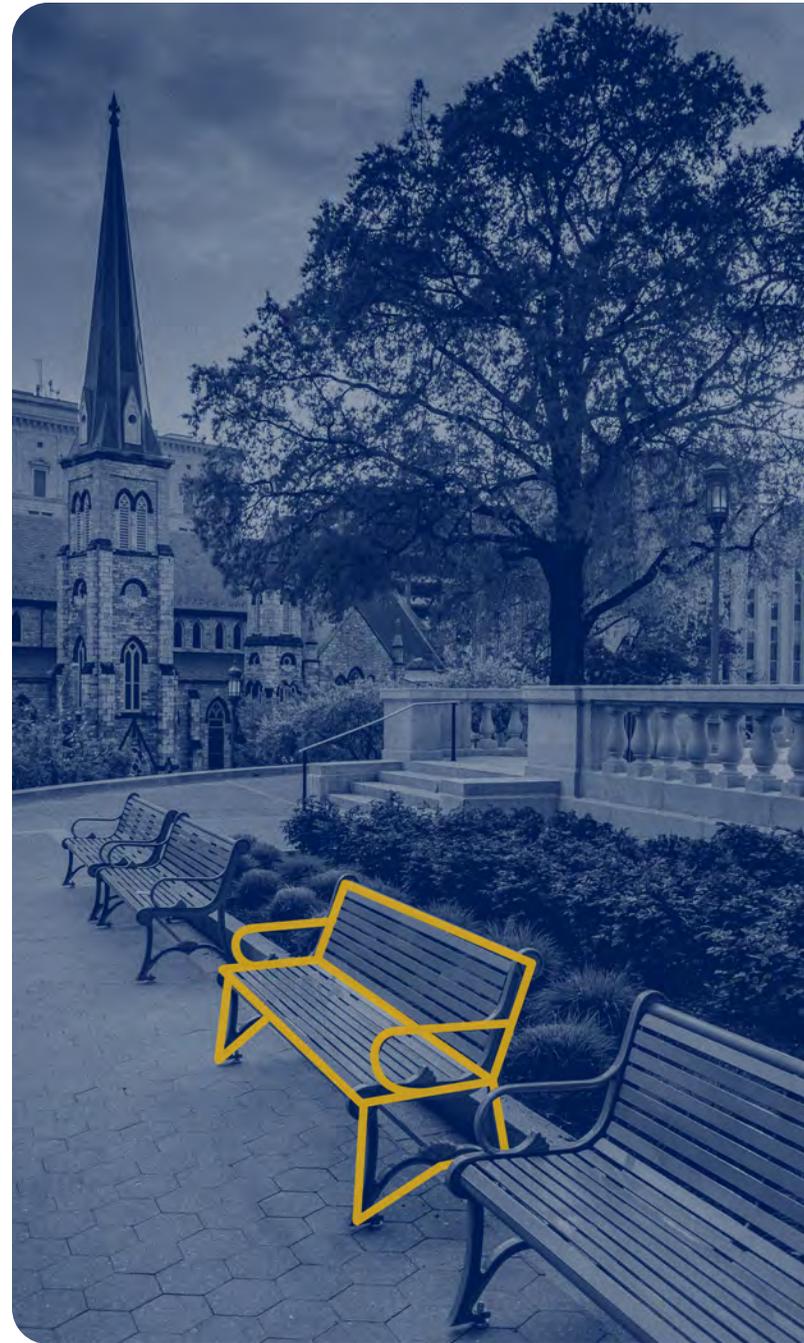
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**The No. 1 goal in the department's strategic plan is to continually improve customer service.**

– Revenue Secretary Dan Hassell

## PENNSYLVANIA TAX FILING SEASON OPENS FOR TAX YEAR 2019

**Now that** Pennsylvania's tax filing season has opened, the Department of Revenue is reminding taxpayers that they can electronically file their Pennsylvania personal income tax returns. The filing deadline to submit 2019 tax returns is April 15, 2020.

"Pennsylvanians who file their state taxes electronically benefit from faster processing and receive their refunds sooner," Revenue Secretary Dan Hassell said. "We encourage all Pennsylvania taxpayers to take advantage of easy-to-use electronic filing options."

### Padirectfile

Padirectfile, a free, secure, state-only electronic income tax filing system, is available through the Department of Revenue's website. For more information or to begin filing, visit [Padirectfile](#).

### Electronic Filing Free

Free electronic filing options are available to file state and federal returns using software from a reputable vendor (income limits may apply). More [vendor information](#) is available on the department's website.

### Electronic Filing for a Fee

Paid tax preparers and commercial tax preparation software providers that offer e-filing for a fee may begin processing returns.

E-filing offers advantages not available to taxpayers filing by paper, including error-reducing automatic calculators, instant confirmation of successful filing, faster refund processing and direct deposit options.

### April 15 Deadline

All taxpayers who received more than \$33 in total gross taxable income in calendar year 2019 must file a Pennsylvania personal income tax return by midnight, Wednesday, April 15, 2020.

### Avoid Filing Errors

Taxpayers are reminded to provide their complete Social Security numbers when filing a return to avoid a delay in processing a return and refund. The department protects the confidentiality of the information.

When filing a joint return with a spouse, the Social Security numbers of both individuals should be included.

### PA Personal Income Tax Guide

Pennsylvania taxpayers who have personal income tax questions are encouraged to review the [PA Personal Income Tax Guide](#), an online publication that includes detailed information on a number of PIT-related topics.

### Taxpayer Service and Assistance

Personal income tax assistance is available through the department's [Online Customer Service Center](#) and by calling 717-787-8201 between 7:30 a.m. and 5 p.m., Monday through Friday.

Taxpayers may also visit a [Department of Revenue district office](#), listed in the government pages of local phone directories, for basic state personal income tax filing assistance. Assistance at district offices is available from 9 a.m. to 5 p.m., Monday through Friday, and taxpayers are encouraged to bring their Social Security cards with them to facilitate tax filing.

Taxpayers can check the status of their refunds online by visiting the department's website and selecting the [Where's My Income Tax Refund?](#) link on the department's homepage; or by calling 1-888-PATAXES to find out the status of their refunds. Taxpayers will be prompted to provide their Social Security number and requested refund amount to obtain the current status.

Free tax forms and instructions are available at [www.revenue.pa.gov](http://www.revenue.pa.gov). 📄



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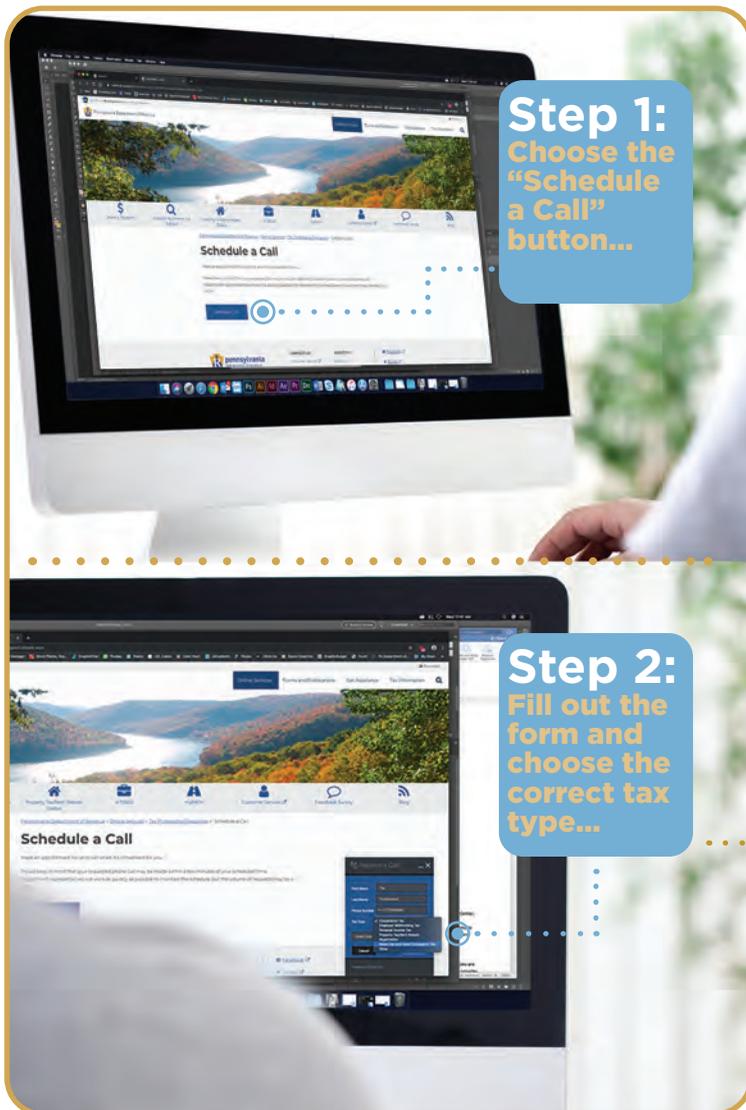


# ‘SCHEDULE A CALL’ SERVICE FOR TAX PROFESSIONALS AVAILABLE FOR TAX FILING SEASON

With the opening of the tax filing season, the Department of Revenue is reminding tax professionals about “Schedule a Call,” a new online service designed specifically for them. This service allows tax professionals to go online and select a specific time to receive a call from one of the department’s customer service representatives.

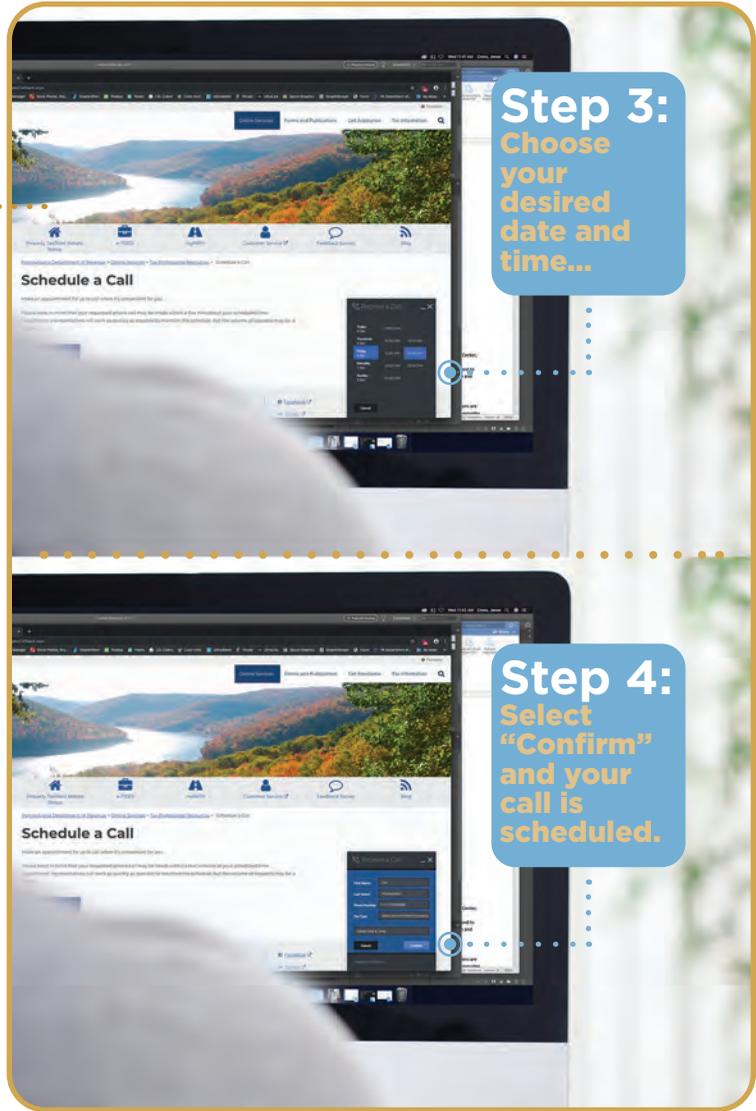
“This service gives tax professionals an easier option to connect with the department, particularly during the tax filing season when they are busy working on behalf of their clients,” Revenue Secretary Dan Hassell said. “The service has worked well since its debut in early December, and we are looking forward to utilizing this customer service tool more in the coming months to help answer the questions that tax professionals have.”

Tax professionals should visit the **Schedule a Call** web page on the department’s website, [www.revenue.pa.gov](http://www.revenue.pa.gov), to select a specific time and date. Once a selection is made, the requested call will be logged and assigned to a representative from the department’s Customer Experience Center. The CEC representative will then make the call to the taxpayer at the time they selected.



**Step 1:**  
Choose the “Schedule a Call” button...

**Step 2:**  
Fill out the form and choose the correct tax type...



**Step 3:**  
Choose your desired date and time...

**Step 4:**  
Select “Confirm” and your call is scheduled.

Calls may be scheduled between 9 a.m. and 4 p.m. on weekdays (Monday through Friday). CEC representatives are trained to discuss all major tax types.

The CEC is staffed with customer service representatives who respond to more than 240,000 phone calls per year, helping thousands of taxpayers receive the information and support they need.

Tax professionals and individuals are also encouraged to visit the department’s **Online Customer Service Center**. This online resource provides instant access to thousands of tax related questions.

**Note:** If you are using the Schedule a Call service, please keep in mind that your requested phone call may be made within a few minutes of your scheduled time. Department representatives will work as quickly as possible to maintain the schedule, but the volume of requests may be a factor. 📌

## REMINDER: TAX PREPARERS WILL BE REQUIRED TO INCLUDE PTIN ON PA-40 RETURNS STARTING IN TAX YEAR 2020

The Department of Revenue is reminding tax return preparers that they will need to sign and list their IRS preparer tax identification number (PTIN) on each Pennsylvania personal income tax return (PA-40) that they prepare starting next year.

This requirement takes effect for tax years beginning Jan. 1, 2020. That means it will be applicable as tax return preparers work on their clients' tax returns for the 2020 Tax Year. This requirement is part of Act 13 of 2019, legislation that was enacted in 2019 by Pennsylvania's General Assembly.

Under the law, a tax return preparer is a person who is paid to prepare a personal income tax return, or employs one or more persons who prepare returns for compensation. Preparation of a "substantial portion" of a personal income tax return shall be treated as if it were the preparation of the return, according to the law.

The law also gives the Department of Revenue the authority to impose an administrative penalty of \$50 on a tax return preparer each time the preparer fails to sign a return, or fails to provide their PTIN on a return. Under the law, the maximum annual penalty that can be imposed on an individual tax return preparer is capped at \$25,000 per year.

To obtain a PTIN, preparers should consult the **PTIN Requirements for Tax Return Preparers** on the IRS website. The web page includes information on how to obtain or renew a PTIN. Most first-time PTIN applicants can obtain a PTIN online in about 15 minutes, according to the IRS. There is no fee to obtain a PTIN. 📌

## REVENUE LAUNCHES NEW BUREAU TO REALIGN FIELD AGENTS, IMPROVE CUSTOMER SERVICE

The Department of Revenue recently took another important step in its reorganization plan by launching the Bureau of Enforcement and Taxpayer Assistance (BETA). This new bureau brings all of the department's field agents — Revenue Enforcement Collections Agents (RECA's), Cigarette Tax Field Agents, Criminal Tax Investigators and Motor and Alternative Fuel Taxes Field Agents — under one bureau.

### Customer Service Improvements

One of the driving factors that led the department to establish BETA was the need for field agents to improve the way they worked with one another. Under the department's prior organizational structure, field collections were segregated by tax type. In some cases, that multiplied the number of visits taxpayers received from the department, which ran counter to the department's top goal of continually improving customer service. Under the new structure in BETA, all field agents will be working under the same organizational structure, which will improve collaboration and planning.

"The realignment of our field agents into one bureau will be a benefit for our customers when we meet with them in person," Revenue Secretary Dan Hassell said. "We'll be better organized and working with a streamlined approach to help our taxpayers understand their obligations and resolve issues with their accounts. Ultimately, our reorganization plan is about putting our staff in positions to deliver improved customer service."

### Early Intervention: Voluntary Compliance

Another added benefit of moving to the new structure in BETA is that voluntary compliance should improve. The

voluntary compliance concept is built on the premise that tax administration functions most effectively when taxpayers have the information they need to file timely tax returns and accurately report their income on their own before a compliance issue arises. Agents in BETA will work to meet with taxpayers early on in the process so that they can avoid common pitfalls.

"We know from our experience that the vast majority of taxpayers are willing to meet their tax obligations, but sometimes they have a question or need assistance," Secretary Hassell said. "We want to do everything that we can to keep our customers informed so that they can keep their accounts in good standing."

### Experienced Leadership

BETA will be aligned in the department's organizational structure under Radee Skipworth, Deputy Secretary for Compliance and Collections. BETA's Director is Dale Simpson, who has more than 25 years of collections and taxpayer service experience with the Department of Revenue.

Visit other posts on PA Tax Talk for prior updates on the Department of Revenue's reorganization plan:

- **Director of Revenue's New Bureau of Business Taxpayer Accounting Excited to See Revenue Reorganization Moving Forward**
- **Department of Revenue Announces Next Steps In Reorganization Plan** 📌

## NEW DIRECTOR OF BETA CONFIDENT REALIGNMENT OF REVENUE FIELD AGENTS WILL IMPROVE CUSTOMER SERVICE



I think if we **HELP** an individual or business better **UNDERSTAND** their tax obligations, **EVERYONE WILL BENEFIT**. That will help establish a solid foundation so that they **STAY ON THE RIGHT PATH** in the future.

**Dale Simpson**, who has more than 25 years of compliance and collections experience with the Department of Revenue, was recently named the Director of the Bureau of Enforcement and Taxpayer Assistance (BETA), a new bureau the department launched to consolidate its field agents. Simpson said this realignment of the department's field staff will have a number of benefits, including new operational efficiencies, improved customer service and reaching Pennsylvania taxpayers earlier to help them avoid common pitfalls.

"We want to reach out to taxpayers and businesses earlier and more often to help them understand what their tax obligations are," Simpson said.

Simpson began his tenure with the Department of Revenue in 1993 as a Tax Account Collections Technician in Pittsburgh. Since that time, he has emerged as a leader within the department, particularly when it comes to work in the field.

For example, in the late 1990s Simpson led an effort to improve the impact of the department's field agents through the implementation of "compliance checks" in the business communities of various municipalities. This initiative involved Revenue field agents periodically visiting local businesses to check on their accounts and ensure their sales tax licenses were prominently displayed. A byproduct of the initiative was that Revenue field staff created strong working relationships in the business community that reinforced the concept that they were working to ensure all taxpayers were operating on a level playing field.

Simpson went on to work in various supervisor positions in the Washington County and Pittsburgh Revenue District offices. In 2012, he was named Area Operations Director for the Western and Central regions. The position called for overseeing the operations of the department's district offices in those regions. In this role, Simpson and his colleagues operated in 50 of the 67 counties in Pennsylvania, which provided a great deal of experience working with different taxpayers throughout the state.

Simpson's innovative mindset and energetic spirit have remained strengths throughout his tenure with the

Department of Revenue. Those traits are a big reason why in July 2019 he was named Acting Director of the Bureau of Collections and Taxpayer Services, a bureau that was recently folded into BETA along with three others Revenue bureaus.

In his new role as Director of BETA, Simpson said he still plans to play a key role in working with members of the business community. He wants to make early intervention and tax education for businesses a focus moving forward.

"We are big believers in the concept that voluntary compliance improves if we're doing a good job of reaching taxpayers early and often," Simpson said. "Launching BETA is a great way to achieve this while also enhancing the synergy between all of the agents in the field. That will help reduce the burden on the taxpayer as well."

Simpson noted that the Department of Revenue, under its prior organizational structure, aligned staff by tax types. This resulted in a structure where field staff were assigned to four separate bureaus. As a result, there was a lack of collaboration that resulted in situations where taxpayers may have received multiple notices or visits from field staff who were focusing on a specific tax type, rather than the entire taxpayer's account.

Under BETA, this will no longer be the case. The new bureau will be home to a cutting-edge Centralized Planning & Analysis team, which is being created to guide the identification, prioritization and assignment of active cases for the field agents. This team will also be responsible for performance metrics, refining case assignment strategies, and working to assign cases to field agents that are referred by staff in the department's call center.

"This unit will ensure that we are using data and analytical tools in a way that will allow the department to bring greater focus to our enforcement efforts," Simpson said.

The launch of BETA is one piece of the Department of Revenue's ongoing reorganization plan, which is on schedule to be completed early this year. 🍌

## PROPERTY TAX/RENT REBATE PROGRAM APPLICATIONS NOW AVAILABLE

**Application forms** for the Property Tax/Rent Rebate Program are now available for eligible Pennsylvanians to begin claiming rebates on property taxes or rent paid in 2019, Revenue Secretary Dan Hassell announced. The deadline to apply for a rebate is June 30, 2020.

“More than half a million seniors and people with disabilities save on the rent or property taxes they paid by receiving a rebate through this program,” Hassell said. “We want to encourage everyone who is eligible to apply so that they can benefit from the program.”

### How to Apply

Applicants may obtain Property Tax/Rent Rebate claim forms (PA-1000) and related information on the **Department of Revenue’s website** or by calling 1-888-222-9190.

It’s free to apply for a rebate, and the department reminds applicants that free assistance is available at hundreds of locations across the state, including **Department of Revenue district offices, local Area Agencies on Aging, senior centers and state legislators’ offices.**

Claimants must reapply for rebates every year because rebates are based on annual income and property taxes or rent paid in each year. Spouses, personal representatives or estates may file rebate claims on behalf of claimants who lived at least one day in 2019 and meet all other eligibility criteria.

Rebates will be distributed beginning July 1, as required by law. More than \$255.1 million in property tax and rent

rebates were sent to almost 532,000 homeowners and renters across the state for property taxes and rent paid in 2017. This is the most recent data available for a full calendar year.

### About the Property Tax/Rent Rebate Program

The rebate program benefits eligible Pennsylvanians age 65 and older; widows and widowers age 50 and older; and people with disabilities age 18 and older. The income limit is \$35,000 a year for homeowners and \$15,000 annually for renters, and half of Social Security income is excluded.

The maximum standard rebate is \$650, but supplemental rebates for certain qualifying homeowners can boost rebates to \$975. The Revenue Department automatically calculates supplemental rebates for qualifying homeowners.

Since its inception in 1971, an estimated \$6.8 billion has been paid to qualified applicants through the Property Tax/Rent Rebate Program. The program is funded by the Pennsylvania Lottery and revenue from slots gaming.

“One of the most important jobs that we have at the Department of Revenue is processing applications for the Property Tax/Rent Rebate Program,” Hassell said. “We take a lot of pride in helping people who rely upon the rebates they receive. Please visit our website, **www.revenue.pa.gov**, or give us a call if you need help with your application.”



## DEPARTMENT OF REVENUE OUTREACH & EVENTS



### DEPARTMENT OF REVENUE MODERNIZATION PROJECT TEAM RECEIVES PENNSYLVANIA DIGITAL GOVERNMENT SUMMIT EXCELLENCE IN TECHNOLOGY AWARD

**Three leaders** of the Department of Revenue's modernization project team recently attended the Pennsylvania Digital Government Summit to accept an Excellence in Technology Award, which honors stellar achievements in the public sector throughout the Commonwealth of Pennsylvania.

Project Director Allison Morgan, Business Program Director Meggan Swisher and Technical Program Manager Ryan Gray have led a team that has successfully launched the Pennsylvania Tax Hub (PATH), the department's new tax system, and myPATH, the online self-service portal that taxpayers can access on the Internet. The modernization project, which has run on time and on budget, will equip the Department of Revenue with an integrated tax system while providing new online filing options for Pennsylvania taxpayers. Check out [PA Tax Talk](#) for a recent update on the project 📌

### REVENUE SECRETARY, IRS, PICPA AND OTHER STAKEHOLDERS RECOGNIZE NATIONAL TAX SECURITY AWARENESS WEEK

In early December, Revenue Secretary Dan Hassell traveled to Philadelphia to join IRS officials, Pennsylvania Institute of Certified Public Accountants members and other stakeholders to provide the public with tips to avoid scams and phishing schemes during the 4th annual National Tax Security Awareness Week. 📌



YOUR CENSUS ANSWERS ARE ANONYMOUS AND PROTECTED.



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**Shape your  
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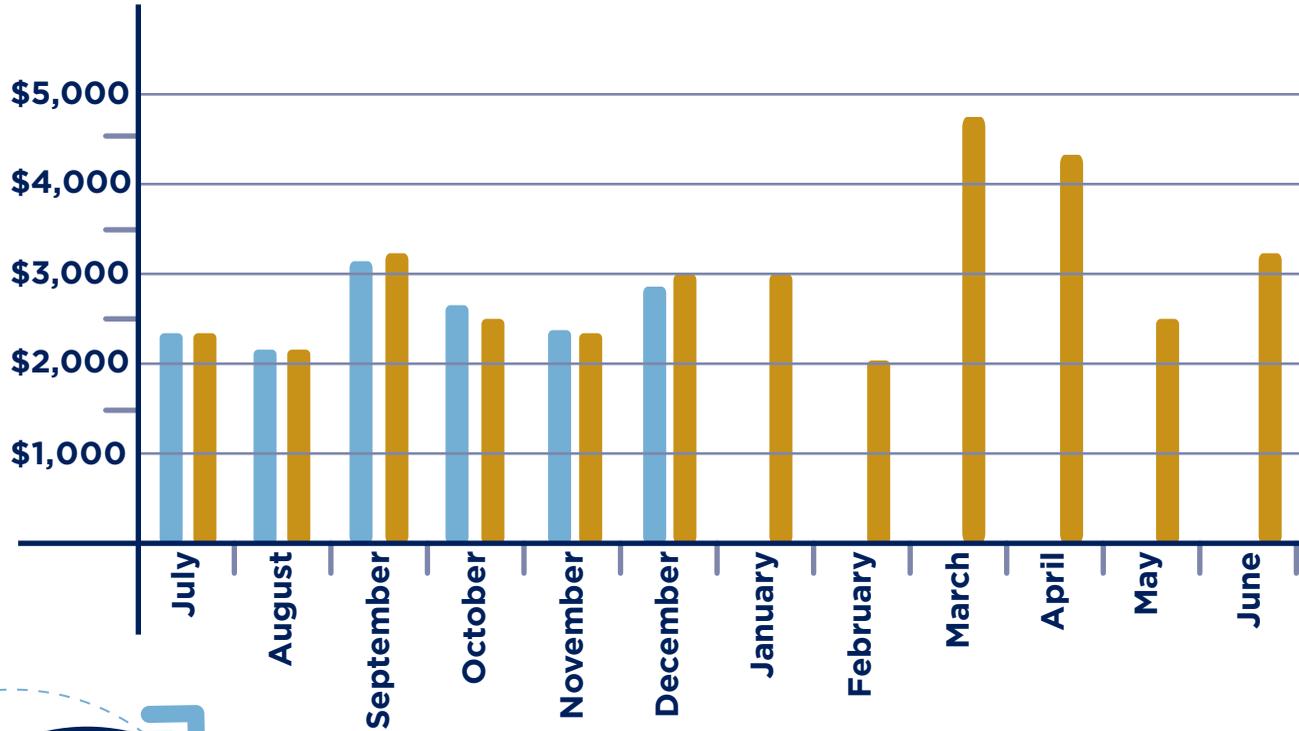
## 2019-2020 General Fund Revenues

*Estimated vs. Actual Revenue Collections (in millions)*

**General Fund collections totaled \$34.9 billion in 2018-19**

Actual Revenue

Estimated Revenue



**GRAPH**

**ACTUAL FIGURES**  
*(in millions)*

Month	Actual Revenues	Estimated Revenues
July	2,329	2,328
August	2,193	2,132
September	3,185	3,203
October	2,670	2,550
November	2,356	2,355
December	2,907	2,999
January		2,987
February		2,077
March		4,730
April		4,339
May		2,545
June		3,252