



NOTICE

PENNSYLVANIA DEPARTMENT OF REVENUE

2017 Tax Amnesty Program Guidelines

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1. Overview of Program

Act 84 of 2016 established the Pennsylvania Tax Amnesty Program (the “Amnesty Program”). The Amnesty Program period begins April 21, 2017, and ends on June 19, 2017 (the “Amnesty Period”). All taxes owed to the Commonwealth administered by the Department of Revenue (Department) are eligible for the Amnesty Program. Taxes, interest and penalties collected under the International Fuel Tax Agreement owed to other states or provinces are not eligible for the Amnesty Program. Eligible periods are those where a known or unknown delinquency exists as of December 31, 2015.

The Department may use the services of a third party vendor to assist with implementation of the Amnesty Program and provide services to its participants.

To participate, taxpayers must file an online Amnesty Return, file all delinquent tax returns and make the required payment within the Amnesty Period. All penalties, collection and lien fees and one-half of the interest due will be waived.

Unpaid taxes, penalties and interest that result from periods subsequent to December 31, 2015, are not eligible for the Amnesty Program. However, if a taxpayer has unpaid taxes or unfiled returns for periods not eligible for Amnesty (due after December 31, 2015), those periods must be filed for the taxpayer’s participation in the 2017 Amnesty Program to be approved.

2. Definitions

The following words and terms have the following meanings, unless the context clearly indicates otherwise:



Amnesty Return — The online return to be filed by a taxpayer applying to participate in the Amnesty Program. The term includes all of the required tax returns, tax reports, accompanying schedules and other documentation required to be filed electronically or by paper in conjunction with the Amnesty Return. The Amnesty Return is also referred to as the Amnesty Application.

Department — The Pennsylvania Department of Revenue.

Delinquency — An unpaid tax, penalty or interest liability or a non-filed tax return or tax report.

Known liability — A delinquency known to the Department.

Unknown liability — A liability for an eligible tax for which either:

- No return or report has been filed, no payment has been made and the taxpayer has not been contacted by the Department concerning the unfiled returns or reports or unpaid tax; or
- A return or report has been filed, the tax was underreported and the taxpayer has not been contacted by the Department concerning the underreported tax.

3. Taxes Eligible for Amnesty

Individuals, businesses and other entities with Pennsylvania tax delinquencies as of December 31, 2015, are generally eligible to participate in the Amnesty Program. Non-filed tax returns or reports, as well as unpaid, under-reported or un-established taxes, whether known or unknown to the Department, constitute eligible delinquencies. Types of taxes and the most recent tax periods eligible for the 2017 Amnesty Program include:

Types of Taxes	Most recent periods eligible for Amnesty
Agriculture Cooperative Tax*	Jan. 1 – Dec. 31, 2014; due 4/15/15
Bank and Trust Company Shares Tax	Jan. 1, 2015; due 3/16/15
Capital Stock or Foreign Franchise Tax*	Jan. 1 – Dec. 31, 2014; due 4/15/15
Cigarette Tax	November 2015; due 12/21/15
Corporate Loans Tax	Calendar: Jan. 1 – Dec. 31, 2013; due 4/15/14 Fiscal: Dec. 1, 2013 – Nov. 30, 2014; due 3/16/15
Corporate Net Income Tax*	Jan. 1 – Dec. 31, 2014; due 4/15/15
Electric Cooperative Tax	Jan. 1 – Dec. 31 2014; due 3/16/15
Employer Withholding Tax	Third Quarter 2015; due 11/2/15
Financial Institutions/Title Insurance Company Shares Tax	Jan. 1, 2015; due 3/16/15
Fuel Use Tax	September 1997; due 10/30/97
Gross Premiums Tax	Jan. 1 – Dec. 31, 2014; due 4/15/15
Gross Receipts Tax	Jan. 1 – Dec. 31, 2014; due 3/16/15
Hotel Occupancy Tax (including Local Hotel Occupancy Tax for Philadelphia and Allegheny County)	Monthly: November 2015; due 12/21/15 Quarterly: Third Quarter 2015; due 10/20/15

	Semi-Annual: First Half 2015; due 8/20/15
Inheritance and Estate Tax	Death of decedent Mar. 31, 2015; due 12/31/15
Liquid Fuels Tax	December 2013; due 1/21/14
Malt Beverage Tax	November 2015; due 12/15/15
Marine Underwriting Profits Tax	Jan. 1 – Dec. 31, 2014; due 6/1/15
Motor Carriers Road Tax (for IFTA vehicles, PA portion only)	Third Quarter 2015; due 10/31/15
Motor Carriers Road Tax (PA road tax licensees only)	Third Quarter 2015; due 10/31/15
Motor Vehicle Carriers Gross Receipts Tax	Period ending Dec. 31, 1997
Mutual Thrift Institutions Tax*	Jan. 1 – Dec. 31, 2014; due 4/15/15
Oil Company Franchise Tax	November 2015; due 12/30/15
Parimutuel Wagering and Admissions Tax	November 2015; due 12/21/15
Personal Income Tax*	Jan. 1 – Dec. 31, 2014; due 4/15/15
Public Transportation Assistance (PTA)	Third Quarter 2015; due 10/20/15
Public Utility Realty Tax	Jan. 1 – Dec. 31, 2014; due 4/1/15
Realty Transfer Tax (including Local Realty Transfer Tax)	December 31, 2015

Sales and Use Tax (including Local Sales and Use Tax for Philadelphia and Allegheny County)	Monthly: November 2015; due 12/21/15 Quarterly: Third Quarter 2015; due 10/20/15 Semi-Annual: First Half 2015; due 8/20/15
Surplus Lines Tax	Jan. 1 – Dec. 31, 2014; due 2/2/15
Unauthorized Insurance Tax (monthly)	November 2015; due 12/30/15
Vehicle Rental Tax (VRT)	Third Quarter 2015; due 10/20/15
*Taxpayer may also be a fiscal filer. Last fiscal year period eligible for amnesty is Sept. 1, 2014 – Aug. 31, 2015, with reports due Dec. 15, 2015.	

The program does not apply to taxes imposed by a political subdivision of the Commonwealth, except for Local Sales and Use and Hotel Occupancy Taxes for Philadelphia and Allegheny County. Also, the program does not apply to taxes administered by another state or the Federal government/Internal Revenue Service.

4. Notification of Amnesty Program

For each tax delinquent, a written notice will be sent where there is a valid address on the Department's records. This notice will contain important information for the recipients to participate in the Amnesty Program. A taxpayer, who has delinquencies for multiple tax types, may receive more than one notification.

5. Participation Requirements



A participating taxpayer, who has a delinquency for taxes eligible for Amnesty, must do each of the following during the Amnesty period:

- File an online Amnesty Return;
- Make payment of all taxes and one-half of the interest due to the Commonwealth in accordance with the Amnesty Return that is filed;
- File complete tax returns for all required tax periods for which the taxpayer previously has not filed a tax return;
- File complete amended returns for all required periods for which the taxpayer underreported tax liability; and
- File all returns for tax periods not eligible for the Amnesty Program.

To participate in the Amnesty Program a business or individual may not:

- Currently be under criminal investigation for an alleged violation of any tax law;
- or
- Prior to the Amnesty Period, have been named as a defendant in a criminal complaint alleging a violation of any law imposing a tax administered by the Department; or
 - Be a defendant in a pending criminal action for an alleged violation of any law imposing an eligible tax; or
 - Currently have a signed voluntary disclosure agreement covering periods eligible for the 2017 Amnesty; or
 - Have previously participated in the 2010 Pennsylvania Tax Amnesty Program.

A taxpayer is deemed to have participated in the 2010 Amnesty if they filed an Amnesty



Return, filed all delinquent tax returns and made the required payment within the 2010 Amnesty period.

A taxpayer's participation in the Amnesty Program is conditioned upon the taxpayer's agreement that the right to protest or pursue an administrative or judicial proceeding with regard to tax amnesty returns filed under the Amnesty Program or to claim any refund of money paid under the Amnesty Program is not permitted.

A taxpayer with active administrative or judicial appeals is eligible to participate in the Amnesty Program. The tax and one-half of interest due must be paid in full during the Amnesty Period. The taxpayer must withdraw the active administrative or judicial appeals relating to periods accepted into the Amnesty Program.

6. Amnesty Return

An online Amnesty Return must be filed by each taxpayer seeking to participate in the Amnesty Program.

After receiving notice that an eligible delinquency exists, a taxpayer is required to log on to the Amnesty website. Using the Amnesty notice and tax account information, the taxpayer will be able to view information on the Amnesty website.

If additional liabilities unknown to the Department are owed by a taxpayer, the taxpayer will need to register and complete an online Amnesty Return which includes a line item summarizing tax owed for each newly-reported or amended period, calculate the applicable interest, and remit payment of the balance due reflected on the Amnesty Return no later than the last day of the Amnesty Period.

Businesses previously not registered with the Department should begin the registration process to obtain Pennsylvania tax account numbers (using the online PA-



100) by the conclusion of the Amnesty Period. This timely action on the taxpayer's part will assist the Department in reconciling a taxpayer's Amnesty Return and payment information with tax returns filed separately. The lack of an account number(s) does not extend the time allotted to file the Amnesty Return and remit payment nor will the failure to obtain the registration number(s) prevent a taxpayer from participating in the Amnesty Program.

7. Tax Return Filing

Along with the payment for all taxes reported on the Amnesty Return and one-half of the interest on those taxes, all missing tax returns or reports must be filed electronically or on paper no later than June 19, 2017.

A taxpayer with unknown liabilities reported and paid during the Amnesty Period to the Department and who complies with all other requirements, is not liable for any taxes of the same type due prior to January 1, 2011. A taxpayer shall not be owed a refund under this provision.

A taxpayer applying to participate in the Amnesty Program with non-filed tax reports should file Sales and Use Tax and Employer Withholding Returns electronically. Applicable forms should be obtained from the Amnesty Program website and submitted to the Amnesty Program mailing address for Personal Income Tax returns, Corporation Tax Reports, including Capital Stock/Franchise and Corporate Net Income Tax reports, and all other taxes.

8. Payments

A participating taxpayer must disclose and pay all delinquent taxes and one-half of the applicable interest. Payment for the entire liability and filing of all delinquent tax



returns must not be received electronically or postmarked prior to the beginning of the Amnesty Period or after the close of the Amnesty Program. Payment is considered timely if received electronically or postmarked on or before June 19, 2017.

Abatements of one-half of interest and all penalties and collection and lien fees only apply to tax returns due for eligible tax periods prior to December 31, 2015. However, all tax returns due after December 31, 2015, must still be filed for a taxpayer to retain eligibility.

Payment of all taxes and interest eligible for the Amnesty Program must be received electronically or postmarked by the last day of the Amnesty Period, June 19, 2017. A taxpayer will be requested to make payment electronically when filing an Amnesty Return online. Electronic payments may be made using ACH Debit, ACH Credit or credit card. Other acceptable methods of payment include certified check or money order.

To be eligible for the benefits of the Amnesty Program, the payment of one-half of the interest due must be paid during the Amnesty Period. Pre-payment of one-half of the interest prior to the beginning of amnesty to maximize the benefits of tax amnesty will not meet the statutory requirements of Act 84.

Any taxpayer who claims making a single payment would be a serious financial hardship will be allowed to make a payment of one-half of the amnesty total liability and pay the balance in two payments during the Amnesty Program.

Payments on interest and penalties made prior to the Amnesty Period (before April 21, 2017) are not eligible for Tax Amnesty, and will not be refunded as a result of amnesty participation.



9. Extensions of Time for Filing Requirements

There is no extension for the filing of missing tax returns and reports eligible for the Amnesty Program. All returns and reports must be filed by the last day of the Amnesty Period, June 19, 2017.

10. Taxpayers with Current Deferred Payment Plans

Taxpayers who have entered into duly approved and executed deferred payment plans with the Department are eligible to participate in the Amnesty Program. However, they are limited to the relief from penalty and one-half of the interest that remains on their payment plan balance as of the date of final tax payment and they must complete payment of the entire delinquency by the close of the Amnesty Period. The relief will not be based on their original balances of tax, penalty and interest at commencement of the payment plan.

Taxpayers who choose to continue making payments according to an authorized payment plan, but do not complete the plan during the Amnesty Period, are not eligible to participate in the Amnesty Program and receive any abatement; however, they will not be subjected to the 5 percent non-participation post-amnesty penalty.

11. Continued Compliance

The Department may re-impose all penalty and interest abated during the Amnesty Period if either of the following occurs within two years of the conclusion of the Amnesty Period:

- The taxpayer becomes delinquent for three consecutive periods for semi-monthly, monthly or quarterly filing or payment unless the taxpayer has timely filed administrative or judicial appeals for the tax delinquencies; or



- The taxpayer becomes delinquent and is eight or more months late in filing of reports and/or payments due on an annual basis unless the taxpayer has timely filed administrative or judicial appeals for the tax delinquencies.

12. Future Amnesty Participation

In the event an Amnesty Program is held in the future, a taxpayer participating in the 2017 Amnesty Program (or the prior 2010 Amnesty Program) will be prohibited from participating in future Amnesty Programs.

13. Post Amnesty Enforcement

At the conclusion of the Amnesty Period, a 5 percent non-participation penalty will be imposed on all eligible tax, penalty and interest unpaid during the Amnesty Period. Existing deferred payment plans, active appeals and entities in bankruptcy will not be assessed the additional 5 percent non-participation penalty.

The Department may audit or investigate tax delinquencies reported and/or paid during the Amnesty Program. Any additional taxes assessed by the Department are subject to normal provisions pertaining to imposition of interest and penalties.

14. Denial of Interest and Penalty Abatement

The Department will deny abatement of an eligible interest and penalty liability of a taxpayer who fails to meet the requirements of the Amnesty Program as specified in Section 5 (relating to participation requirements).

Notice of the denial will be in the form of a Notice of Denial of Interest and Penalty Abatement and will be mailed to the taxpayer.

15. Appeals of Denial of Interest and Penalty Reinstatement



A taxpayer that has been denied interest and penalty abatement under the 2017 Amnesty Program or that has had interest and penalties reinstated as provided in Section 11 (relating to Continued Compliance) may appeal the decision to the Board of Appeals under 61 Pa. Code Chapter 7 (relating to Board of Appeals) no later than 90 days after the date of the Notice of Denial of Interest and Penalty Abatement or Notice of Penalty Reinstatement.