



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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Governor
Tom Wolf

Secretary of Revenue
C. Daniel Hassell

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

– Revenue Secretary Dan Hassell

Business Taxes Moving to myPATH in Late November 2022; Account Structures Will Change

The Department of Revenue is on track to transition all of the business taxes it administers into a new system starting on November 30, 2022. This means that users of e-TIDES, the current online filing and payment system for business taxpayers, will need to convert their accounts to **myPATH** as this transition occurs.

The department will send information directly to affected taxpayers to provide instructions on the steps they'll need to take and the exact timing. In the meantime, the department is working to provide its customers with an overview of some of the changes and improvements that they can expect in the new system.

Changes Coming for Business Taxpayers

PATH Account Structure: In the Pennsylvania Tax Hub (PATH), the department's new tax system, every customer will be assigned an 11-digit Account ID.

Withholding Accounts: In PATH, Withholding accounts will be separated by type of withholding tax. Each type of withholding account will have an accompanying annual reconciliation account and each will be associated with an 8-digit Withholding ID, as outlined in the table below:

PATH	ACCOUNT ID ASSIGNED BY PATH (11-DIGIT)	8-DIGIT ID ASSIGNED BY OR CONVERTED TO PATH
Employer Withholding Tax	XXXXXXXXXX	XXXXXXXX
Employer Annual Reconciliation	XXXXXXXXXX	
Other Income Withholding Tax	XXXXXXXXXX	XXXXXXXX
Other Income Annual Reconciliation	XXXXXXXXXX	
Retirement Withholding Tax	XXXXXXXXXX	XXXXXXXX
Retirement Annual Reconciliation	XXXXXXXXXX	

As a reminder, Employer Withholding Tax is for employers that withhold tax on wage income and issue a W-2. Other Income Withholding Tax is for employers that withhold tax on non-wage sources and issue a 1099-MISC and/or 1099-NEC. Retirement Withholding Tax is for employers that withhold tax on retirement income (for example, early withdrawals from a 401(k) account) and issue a 1099-R.

This account structure will enable the department to correctly track all related filings and payments. It will also enable PATH to track filing expectations for the

reconciliations separately from the filing expectations for the returns.

License Accounts: In PATH, License accounts will have a tax account type and an accompanying license account type. This account structure enables the system to track license renewal periods separately from return filing periods.

What ID will be displayed on PATH notices?

- PATH notices related to Sales tax accounts will include the 8-digit Sales License ID in the header of the notices.
- PATH Account IDs for these account types will not appear on the notices.

What will be displayed on myPATH?

- Customers using **myPATH** will see both their 11-digit account ID and their 8-digit Withholding ID or Sales License ID. The department will accept both the 11-digit and 8-digit IDs as validation when customers file and pay on **myPATH**.

Business Taxes Moving to myPATH

The following is a list of many of the tax types that are moving to **myPATH**:

- Booking Agent Tax
- Public Transportation Assistance
- Consumer Fireworks Tax
- Public Utility Realty
- Corporate Net Income Tax
- Sales & Use Tax
- Gross Premiums Corporation Tax
- Shares Tax
- Gross Receipts Corporation Tax
- Small Games of Chance (select services)
- Individual Cigarette Excise
- Unstampable Little Cigar
- Malt Beverage Tax
- Vehicle Rental Tax
- Mutual Thrift Institutions Tax
- Wine Excise Tax
- Other Tobacco Products
- Withholding Tax

The Pennsylvania Online Business Entity Registration (PA-100) will also be replaced in late November 2022

The existing PA-100 application will not be available to register for tax accounts and services after November 13, 2022. Starting on November 30, 2022, customers will use **myPATH's** "Pennsylvania Online Business Tax Registration" service to register a business entity with the department.

e-TIDES RETIREMENT TIMELINE

06/30/2022	The last day to file a Vehicle Rental Tax annual reconciliation [DAS-28].
11/11/2022	The last day to request a Statement of Account through the Document Center. The last day to perform enterprise account maintenance. <ul style="list-style-type: none"> • Administer Approved Filers • Reassign Administrative Functions • Edit Bank Account Information • Update Entity ID [EIN/SSN] • Update Address • Update Legal Name • Update Trade Name • Update Filing Status (Payment Frequency) • Update Corporate Officers • Cancel Account
	The last day to file a Consumer Fireworks Tax return or payment.
	The last day to submit a Tobacco Product license renewal.
11/14/2022	The last due date reminder will be sent via email.
11/17/2022	The last day to make a Notice payment. The last day to file a Corporate Tax RCT-101D (de minimis) return. The last day to file an Employer Withholding Tax annual reconciliation statement (REV-1667) and the associated W-2 and 1099 schedules. The last day to file a Public Transportation Assistance Fund return or payment. The last day to file a Vehicle Rental Tax return or payment. The last day to file a Wine Excise Tax return or payment.
11/21/2022	The last day to register new accounts in e-TIDES. The last day to file an Other Tobacco Tax return or payment. The last day to file an Unstampable Little Cigar return or payment.

11/21/2022	(cont.) The last day to view documents in the Document Center.
11/30/2022	The last day to use the file upload process for Employer Withholding Tax returns or payments. The last day to use the file upload process for Sales Tax returns or payments.
02/24/2023	The last day to submit a Corporate Tax payment. The last day to file an Employer Withholding Tax return or payment. The last day to file a Sales Tax return or payment.
08/31/2023	The last day e-TIDES will be available to view filing history.

More Information

The Department of Revenue is posting other updates and information at revenue.pa.gov/mypathinformation. This page will be updated in the coming months with the latest information that business taxpayers will need to know to effectively transition their accounts from e-TIDES to **myPATH**. Click on the "Business Taxes" button in the right-hand column for the latest updates.

The work to transition the business taxes to **myPATH** is part of a larger effort to move all the taxes the Department of Revenue administers into one, unified system. This will greatly improve customer service, which is the No. 1 goal in the department's strategic plan. 🗳️



pennsylvania

DEPARTMENT OF REVENUE

COMING SOON!



>>>



Coming End of November 2022

Business taxpayers will need to
transition from e-TIDES to myPATH
to conduct business with the
Department of Revenue.



PENNSYLVANIA TAX HUB

my PATH.pa.gov

REVENUE TAX MODERNIZATION PROJECT NAMED FINALIST FOR NATIONAL AWARD

The **Wolf administration** recently announced that a technology initiative undertaken by the Department of Revenue has been selected as a finalist by the National Association of State Chief Information Officers (NASCIO) for its 2022 State IT Recognition Awards.

The initiative that garnered the recognition is the department's work to transition all the taxes it administers into a new tax system — the Pennsylvania Tax Hub (PATH). The department also launched **myPATH**, an online self-service portal where taxpayers can file returns, make tax payments, and manage their accounts.

This project is among 31 finalists selected from over 100 state nominations. Winners in 10 categories will be announced at NASCIO's annual conference in October. A project from the Pennsylvania Department of Human Services was also selected as a finalist, in addition to Revenue's project.



"Every year, the Office of Administration partners with agencies on hundreds of technology projects to improve customer service, increase efficiency and achieve better results for their programs," said Michael Newsome, the commonwealth's Secretary of Administration. "To have two of these projects selected for national recognition is a testament to the Wolf administration's leadership and the commonwealth's IT professionals."

"One of our main objectives at our agency is to push forward with innovative projects like this one that greatly improve customer service," Revenue Secretary Dan Hassell said. "At the same time, we are creating

efficiencies for our employees and providing them with new tools to make their day-to-day jobs easier. We're also proud of the fact that this project has remained on time and on budget since its launch in 2018."

My Pennsylvania Tax Hub (myPATH)

The Department of Revenue's modernization effort replaces legacy mainframe applications from the 1980s and expands the array of online taxpayer services available from the department. To date, 40 new services have been added to **myPATH**, the online portal that offers filing and payment options for taxpayers. Through **myPATH**, customers can file a wider array of tax return types electronically, receive correspondence online, communicate with the department through an online service, check the status of a refund or rebate and view estimated payments and credits.

The online application for the Property Tax/Rent Rebate (PTRR) program demonstrates the benefits of **myPATH**. The Property Tax/Rent Rebate program benefits older and disabled Pennsylvanians, among others. Prior to **myPATH**, there was no online filing option for PTRR. In 2021, residents submitted approximately 35,000 online PTRR applications. In 2022, the department received 56,000 online PTRR applications through the first seven months, which is already 60% more than in 2021. Nearly 80% of property tax/rent rebate applicants who provided customer feedback "strongly agreed" they had a positive experience using **myPATH**.

Personal Income Tax (PA-40) return processing has also improved with myPATH. In 2021, the department received 176,000 Personal Income Tax returns through **myPATH**, with only 2% requiring manual review. For comparison, paper returns had a 10% error rate and Modernized e-file (MeF) returns a 4.5% error rate. In the first four months of 2022, the department received 212,000 PA-40 returns through **myPATH**.

In addition to replacing legacy tax systems, **myPATH** will replace the services currently offered in the e-TIDES and PA-100 online applications, making it the central location for all the online services offered by the department.

NASCIO presents the Outstanding Achievement in the Field of Information Technology awards to states that have implemented exceptional programs that have made an important contribution to the operation of state government. To learn more about the awards, visit nascio.org. 🏆

2022 DEPARTMENT OF REVENUE TAX SEMINARS

The Department of Revenue's annual series of Tax Seminars are underway. Tax professionals are encouraged to learn about changes to state tax laws and policies during one-day seminars held across the state and virtually.

The tax seminars educate tax professionals on personal income tax, sales tax, corporate taxes, compliance initiatives and using the department's website to establish

tax accounts for new businesses, file tax returns and pay state taxes.

The schedule below includes a listing of seminar dates and locations. You can also find updated information — including hyperlinks for the virtual seminars — by visiting the [Tax Seminars](#) page on the Department of Revenue's website. 📌

Dates	Conference Location	Sponsor	Contact
October 3	Penn Harris Hotel 1150 Camp Hill Bypass US 15 Camp Hill, PA 17011	PSTAP- Harrisburg	Sherry DeAgostino 800-270-3352 sherry@pstap.org
October 19	Springfield Country Club 400 W. Sproul Rd (Rte 320) Springfield, PA 19064	PSTAP- Philadelphia (Tri-County Chapter)	Sherry DeAgostino 800-270-3352 sherry@pstap.org
October 20	DoubleTree by Hilton Reading 701 Penn Street Reading, PA 19601	PSTAP- Reading (Central Chapter)	Sherry DeAgostino 800-270-3352 sherry@pstap.org
November 1	Cranberry Regional Learning Alliance Center 850 Cranberry Woods Dr Cranberry Township, PA 16066	PSTAP- Pittsburgh	Sherry DeAgostino 800-270-3352 sherry@pstap.org
November 7	Webinar - Click Here to Register	PSTAP	Sherry DeAgostino 800-270-3352 sherry@pstap.org
December 5	The Woodlands Inn and Resort Highway 315 Wilkes-Barre, PA 18766	Wilkes University	Margaret Petty 570-408-4460 margaret.petty@wilkes.edu
December 12	Webinar (1st Half) Click Here to Register	Wilkes University	Margaret Petty 570-408-4460 margaret.petty@wilkes.edu
December 14	Webinar - Click Here to Register	McDevitt & Kline	Bill Kline 570-251-3805 william.kline@ceworkshops.com
December 16	Webinar (2nd Half) Click Here to Register	Wilkes University	Margaret Petty 570-408-4460 margaret.petty@wilkes.edu

REVENUE 411 - myPATH VIDEO TUTORIALS

The Department of Revenue's Customer Experience Center has released a series of **Revenue411 informational videos** that provide taxpayers and tax professionals with step-by-step instructions on how to use a variety of features in **myPATH**.

To date, the Revenue411 video library offers step-by-step instructions on topics such as:

- **myPATH - Making Estimated Payments**
- **myPATH - Making Extension Payments**
- **myPATH - Making a Return Payment**
- **myPATH - Paying a Bill**
- **myPATH - Responding to a Letter**

To watch these and future step-by-step instructional videos, click the image below, or visit the department's **Revenue 411 video library**. 



Lauren Zaccarelli Retires After 32 Years of Service

Lauren Zaccarelli, Chair of the Board of Appeals, retired on Sept. 2 after 32 years of service with the commonwealth. Lauren was honored at a retirement party on Aug. 24 at the Department of Revenue’s headquarters in Strawberry Square. She was presented with a congratulatory letter from Gov. Wolf and many of her colleagues stopped in to wish her well in retirement.



Director and Counsel for the Democratic Policy Committee, she saw the interactions between tax policy and economic development. That’s where she found that she really enjoyed tax policy work, which led to her career with the Department of Revenue.

Lauren started at the Department of Revenue in 2003 as Legislative Director. In 2007, she was appointed the Chair of the Board of Appeals, which is tasked with reviewing initial actions taken by the Department of Revenue against a taxpayer (such as an assessment); requests for refunds submitted by taxpayers; and denials of property tax rent rebate claims and charitable exemptions. Lauren served as Chair for approximately 15 years.

As for notable career accomplishments, Lauren said that the passage of Act 119 of 2006 was an achievement that she was proud of. This act, which was signed into law during Lauren’s stint as Legislative Director, created a more uniform procedure for tax assessments and appeals. Lauren also said that the Board of Appeals’ effective transition to remote work during the COVID-19 pandemic was another success she is proud of.

Lauren shared that she had the privilege of working for all three branches of government — executive, legislative and judicial. During her career, she was a law clerk for a Common Pleas Judge, and she also worked in both the House and Senate in Pennsylvania. She said that this allowed her to analyze each issue from many different perspectives.

Asked why she stayed with the Department of Revenue for the majority of her career, Lauren said it was the right decision for her.

Lauren was also a legislative staffer involved in Governor Casey’s local tax reform initiative when she was beginning her legal career with the Senate. As the Executive

“I believe that Revenue is a great place to develop a career,” she said. “I also stayed because of my involvement with tax policy, as I have always enjoyed policy discussions, as well as being able to lead the quasi-judicial organization. The days were never boring.”

Revenue employees wish Lauren well in her retirement. 🍷

Revenue Employees Participate in SECA Charitable Giving Campaign

Department of Revenue employees are again participating this year in the State Employees Combined Appeal, the commonwealth’s annual charitable giving campaign. **Since 1977, state employees have raised more than \$100 million through SECA**, which helps commonwealth employees support the causes that are most important to them.

This year’s SECA campaign officially kicked off with a Pie In the Face event at Soldier’s Grove in Harrisburg. John Kaschak, DOR’s Executive Deputy Secretary, and Don Bianchi, Director of the Customer Experience Center, were gracious enough to participate in this fun event, which afforded employees the opportunity to make a donation in exchange for hitting either John or Don with a pie. 🍷



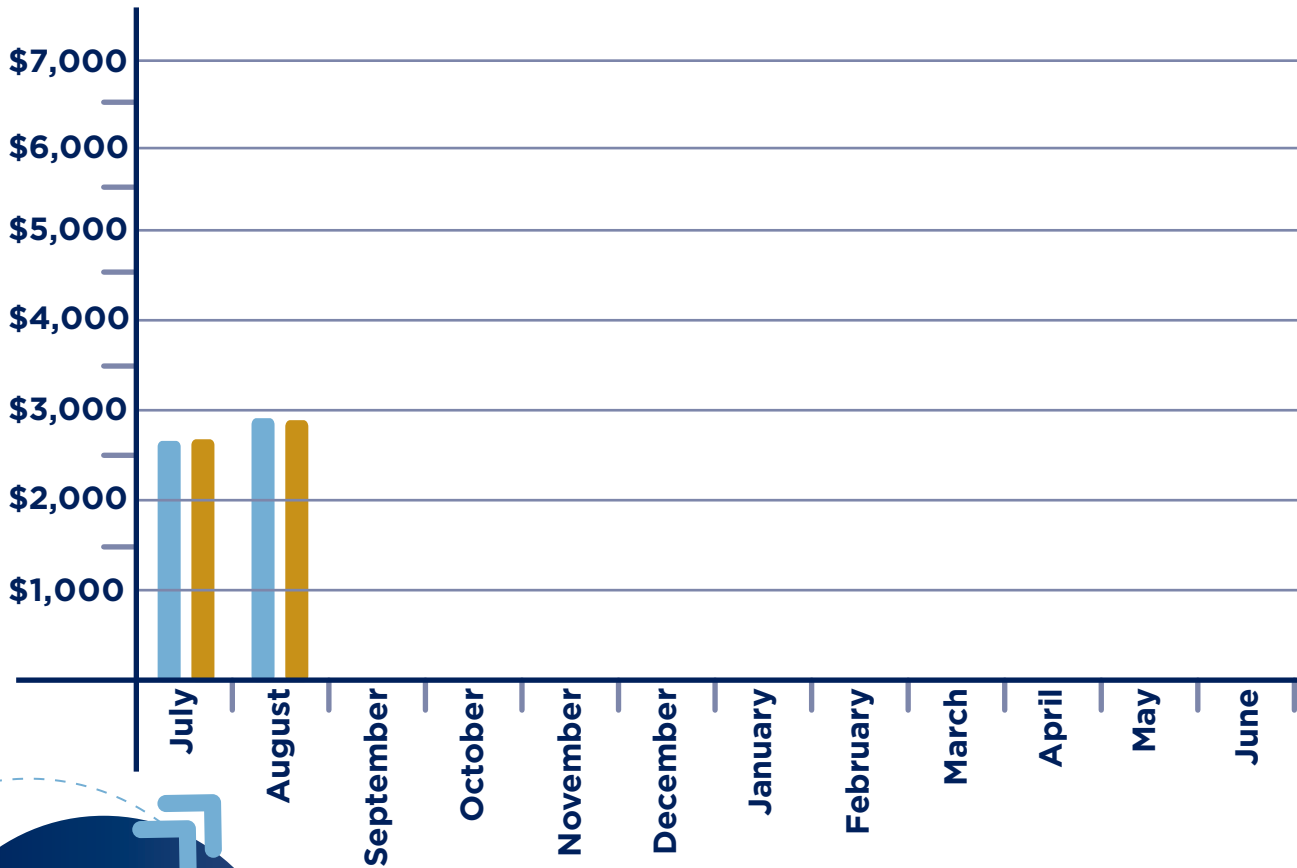
2022-2023 General Fund Revenues

Estimated vs. Actual Revenue Collections (in millions)

General Fund collections totaled \$5.6 billion in 2022-23.

Actual Revenue

Estimated Revenue



GRAPH

ACTUAL FIGURES
(in millions)

Month	Actual Revenues	Estimated Revenues
July	2,696	2,700
August	2,865	2,801
September		
October		
November		
December		
January		
February		
March		
April		
May		
June		