



pennsylvania
DEPARTMENT OF REVENUE

TAX UPDATE

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Governor
Josh Shapiro

Secretary of Revenue
Pat Browne

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

- Revenue Secretary Pat Browne

GOVERNOR SHAPIRO'S EXPANSION OF PROPERTY TAX/RENT REBATE PROGRAM DELIVERS LARGEST TARGETED TAX BREAK FOR SENIORS IN NEARLY TWO DECADES

Governor Shapiro delivers on the commitment he made during his campaign and inaugural budget address to support Pennsylvania seniors



Governor Josh Shapiro delivered on a promise he made to Pennsylvanians when he signed a major expansion of the Property Tax/Rent Rebate (PTRR) program into law. This historic achievement, which will deliver the largest targeted tax cut for Pennsylvania's seniors in nearly two decades, is being celebrated by many people who recognize the impact this will make for people in communities across the Commonwealth.

"As the government agency that has administered the PTRR program for more than 50 years, we know firsthand how meaningful this expansion will be for older Pennsylvanians and those with disabilities," said **Secretary of Revenue Pat Browne**. "This program is a lifeline every year for hundreds of thousands of people and helps many of them to stay in the comfort of their homes. We are ready to do our part to help those who are eligible for PTRR file their applications."

Explaining the PTRR Expansion

The PTRR expansion passed the House and Senate with near-unanimous bipartisan support. That led to **Governor Shapiro** signing the legislation into law on Aug. 4, 2023, at United Neighborhood Center in Scranton, where he was joined by many legislators, stakeholders, and community members to celebrate this significant accomplishment.

Under the expansion, crucial updates will be in place when the Department of Revenue in mid-January 2024 opens

the filing period to submit applications for property taxes and rent paid in 2023:

- First, the maximum standard rebate will increase from \$650 to \$1,000.
- Second, the income limits for renters and homeowners will be made equal and both increase to \$45,000 — the first time since 2006 that the income limits have been increased.
- Third, income limits will also be tied to the cost of living moving forward, which means the people who receive a rebate won't have to worry about losing their eligibility through no fault of their own — such as increases in Social Security payments — in the years to come.

Ultimately, the Governor's plan results in nearly 175,000 additional Pennsylvanians qualifying for a property tax or rent rebate. At the same time, roughly 86% of the 430,000 claimants who already qualify will see their rebates increase.

Secretary of Revenue Pat Browne and **Secretary of Aging Jason Kavulich** have been visiting senior centers this fall to speak directly with older Pennsylvanians about the changes coming for the Property Tax/Rent Rebate Program when the next application period opens in January 2024.

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Secretary Pat Browne spoke at a senior fair in Lackawanna County about the expansion of the Property Tax/Rent Rebate Program.

“We are doing everything that we can to get the word out about the recent expansion of the PTRR program so that eligible Pennsylvanians know what to expect and have the information they need to secure assistance that will make a huge difference in their lives,” said **Secretary Browne**. “We are traveling throughout the Commonwealth to make sure that everyone knows that the PTRR program will be available to thousands of new applicants when the next application period opens in January 2024. Our staff at the Department of Revenue is ready to help every eligible Pennsylvanian navigate the application process.”

What to Expect on PTRR Expansion

The first thing that eligible PTRR applicants should know is that the PTRR program expansion takes effect in 2024. That means that eligible Pennsylvanians interested in taking advantage of the PTRR program expansion do not need to take any immediate action to file their applications.

Importantly, the eligibility criteria will stay the same, meaning the program will continue to benefit eligible Pennsylvanians age 65 and older; widows and widowers age 50 and older; and people with disabilities age 18 and older.

The process and filing systems that are already in place — and that have served PTRR applicants for years — will also

continue to remain the same. The Department of Revenue will release detailed information on the filing process prior to the next claim season opening in mid-January 2024. In the meantime, visit Revenue’s website for helpful information: revenue.pa.gov.

About the Property Tax/Rent Rebate program

Since its inception in 1971, the PTRR program has delivered more than \$8 billion in property tax and rent relief to some of Pennsylvania’s most vulnerable residents. The PTRR program is supported by the Pennsylvania Lottery and receives funding from gaming.

It’s free to apply for a rebate, and applicants are reminded 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.

As a reminder, applicants must reapply for rebates every year because rebates are based on annual income and property taxes or rent paid in each year. Any person who filed for a 2022 Property Tax/Rent Rebate by paper will automatically be mailed a paper instruction booklet/application form. 📄

“ Our staff at the **Department of Revenue** is ready to help **EVERY ELIGIBLE** Pennsylvanian...



WHAT'S HAPPENING NOW: TELEFILE USERS NEED TO TAKE ACTION

The Department of Revenue is moving forward with plans to limit the use of TeleFile, the service that customers use to file tax returns and make payments over the phone.

In October, letters will be mailed to current users with a TeleFile Request Form enclosed. TeleFile users will need to complete the form and return it to the Department of Revenue to continue using the TeleFile service. The form includes a section where TeleFile users can cite the reason they cannot use **myPATH** — the department's online filing system — to file sales and use tax and/or employer withholding tax. This includes being unable to access the Internet or religious reasons.

The TeleFile Request Form must be submitted at least 30 business days prior to a due date; otherwise, the user will be required to submit their returns electronically for that taxable period. Importantly, this form does not exempt Pennsylvania taxpayers from their filing and payment obligations required under Pennsylvania law. Returns must be filed and taxes paid by the applicable due date.

Use myPATH to File Returns, Make Payments Online

As an alternative to TeleFile, customers can use an online filing option by visiting mypath.pa.gov. **myPATH** is a user-friendly system that allows taxpayers to accurately and securely file returns, make payments, manage their accounts, and interact with the department. **myPATH** is compatible with all browsers and devices, including tablets or smart phones. Please keep in mind that users may need to scroll down to see additional options when viewing from these devices.

To use **myPATH**, create a username and password. To sign up, the following is needed:

- A unique email address that is not associated with any other **myPATH** profile
- Username with a minimum of 5 characters (no special characters)
- Password with a minimum of 8 characters. The password must contain at least one of the following: uppercase and lowercase letters, numbers, and special characters
- Primary phone number

Additionally, if a customer uses a tax professional, they can gain access to the tax account directly from their Third-Party user profile. They must request account access and provide the proper validation. This will allow them to file and pay without the need for a customer to sign in.

Contact Us

The Department of Revenue offers in-person taxpayer support at its district offices. Visit revenue.pa.gov/offices for further information.

For those with questions about creating a **myPATH** profile, accessing tax accounts, filing returns, or making payments, contact the department's Customer Experience Center: **myPATH@pa.gov** or 717-425-2495, Ext. 72841 (PATH1)

In addition, a series of Revenue411 instructional videos is available on the department's website. Visit **revenue.pa.gov/videos** to access the videos and learn how to perform a variety of functions in **myPATH**. 📺



REGISTRATION OPEN FOR DEPARTMENT OF REVENUE'S ANNUAL TAX SEMINARS

TAX SEMINAR PRESENTATIONS FOCUS ON INDIVIDUAL TAXES, BUSINESS TAXES, COMPLIANCE INITIATIVES, AND SEVERAL OTHER TOPICS



Donald Bianchi (left) and Alicia Gonse spoke with attendees at a tax seminar in September. Don and Alicia work in the Department of Revenue's Customer Experience Center.

Registration is currently open for the Department of Revenue's annual series of Tax Seminars. The one-day seminars are designed to inform tax professionals about new state tax laws and other important tax-related information that will help them serve their clients.

A full listing of the events and registration information is available under the **Tax Seminars page** on the Department of Revenue website. Seminars this year offer both in-person or virtual sessions that run through December 6, 2023.

"Our annual Tax Seminars are an important part of the work that we do throughout the year to offer the best customer service that we can," **Revenue Secretary Pat Browne** said. "We recognize the importance of the work that tax professionals do on behalf of their clients, and we value

their service and commitment to assisting Pennsylvania taxpayers. The Tax Seminars are a great resource to make sure they are as informed as possible on the latest tax law changes and the customer service tools that are available to them."

This year's seminars will focus on the benefits of using **myPATH**, the online customer service portal where taxpayers and tax professionals can file returns, make payments, and manage their tax accounts. The launch of **myPATH** coincided with a multi-year tax system modernization project, which provided the first fully integrated tax system used by the Department of Revenue. The new system offers several improved customer service resources that make it easier for tax professionals to help their clients manage their tax obligations. 🏠



PA NON-PROFITS NOW HAVE ONLINE TOOL TO APPLY FOR SALES TAX EXEMPTION

There is a new online filing option available for non-profits, such as charitable and volunteer organizations, to apply for and renew a Pennsylvania sales tax exemption. The Department of Revenue recently launched this online application on **myPATH** to deliver a new, streamlined tool for its customers.

The successful completion of this project comes after **Governor Josh Shapiro** earlier this year **signed an executive order that called on Commonwealth agencies to conduct a comprehensive review of their application processes.** The purpose of the Governor's executive order is to improve the Commonwealth's licensing, permitting, and certification processes for all Pennsylvania workers and businesses.

"We are proud to play a part in carrying out Governor Shapiro's vision of offering services that are more efficient and effective for the people we serve," **Revenue Secretary Pat Browne** said. "Providing a new online application for sales tax exemptions gives non-profit organizations a streamlined process to secure their exemption certificates as quickly as possible and renew their exemptions when they need to."

The sales tax exemption allows institutions of purely public charity to avoid paying Pennsylvania's 6 percent sales tax on purchases made on behalf of the institution's charitable purpose.

Prior to the launch of the online application, non-profit organizations were required to submit a paper application form (called the REV-72). The paper-based process resulted in a lengthy turnaround time, due in part to the volume of applications that were received and the detailed supporting documentation that was required to verify each organization's non-profit status. The paper-based process often resulted in incomplete applications, which required

the Department to request additional information from the applicants. As a result, processing was often delayed as the Department waited to receive this information.

"Now that all of the information can be uploaded online, we have a more efficient application process that also allows non-profit organizations to view the status of their applications in real time," **Secretary Browne** said. "This is exactly the kind of improvement that Governor Shapiro is looking for to provide the customer service that everyone in Pennsylvania can count on."

myPATH a Resource for Customers

The online sales tax exemption application is the latest customer service option to be added to **myPATH**, the online tax system the Department of Revenue launched in recent years to offer improved online services for its customers. The system is now the online destination where Pennsylvania taxpayers can manage the vast majority of their state tax obligations, whether it's filing tax returns, making payments, or managing their accounts.

Under the leadership of Secretary Browne, the Department of Revenue also has delivered for its customers during the most recent tax season. To date, the agency has processed more than 6.1 million personal income tax returns and 1.5 million income tax refund requests totaling \$338 million. Additionally, the agency has processed more than 359,000 rebate applications for the Property Tax/Rent Rebate program, helping older Pennsylvanians and others with disabilities secure nearly \$162 million in rebates on property taxes and rent paid during 2022.

Meanwhile, the Department recently made progress in decreasing the average wait time while also increasing the volume of calls answered for people who call the agency's main call center. 📌



on Social Media!



REALTY TRANSFER TAX APPEALS TO COMMONWEALTH COURT

The Department of Revenue's Office of Chief Counsel now represents the Commonwealth for all current and prospective Petitions for Review filed with the Pennsylvania Commonwealth Court related to determinations of the Board of Finance and Revenue for Realty Transfer Tax assessments and refunds.

Delegation by the Pennsylvania Office of Attorney General

Pursuant to Section 204(c) of the Commonwealth Attorneys Act 1, the Pennsylvania Office of Attorney General officially delegated the authority to the department to represent the Commonwealth in all current and prospective Realty Transfer Tax Petitions for Review filed with the Court.

Based upon this delegation, the department's Office of Chief Counsel has the authority to negotiate settlements and fully litigate all such cases. As a result, all documentation and filings should be served on the department.

Notice to the Department of Realty Transfer Tax Appeals

Pursuant to Pennsylvania Rule of Appellate Procedure 1571(d), the Petition for Review must still be served on (1) the Board of Finance and Revenue, (2) the Pennsylvania Office of Attorney General, and (3) the Department.

Service of the Petitions for Review may be received in two ways – mailed and/or electronically sent.

Mailing Address:

**DEPARTMENT OF REVENUE
OFFICE OF CHIEF COUNSEL
STRAWBERRY SQUARE, FLOOR 10
327 WALNUT STREET
HARRISBURG, PA 17126**

Email Address:

ra-rvocbfrnotif@pa.gov

Once the department has entered its appearance in these cases, service can be made electronically through the PACFile system.

1 Act of October 15, 1980, P.L. 950, as amended, 71 P.S. § 732-204(c). 📌

THE TAX COMPENDIUM: AUGUST 2023

The latest **Tax Compendium** is available on the Department of Revenue's website at **revenue.pa.gov** under Reports and Statistics. This Compendium is a general guide to Pennsylvania taxes. The information provided in this document does not, and is not intended to, constitute legal advice or tax guidance. The material provided in this document is issued for informational purposes only and should not be relied upon or used in tax appeals.

Other reports and publications available online from the Bureau of Research include the Statistical Supplement, Personal Income Tax Statistics, Property Tax/Rent Rebate Program Statistical Reports, Monthly Revenue Report, and various tax credit reports. 📌



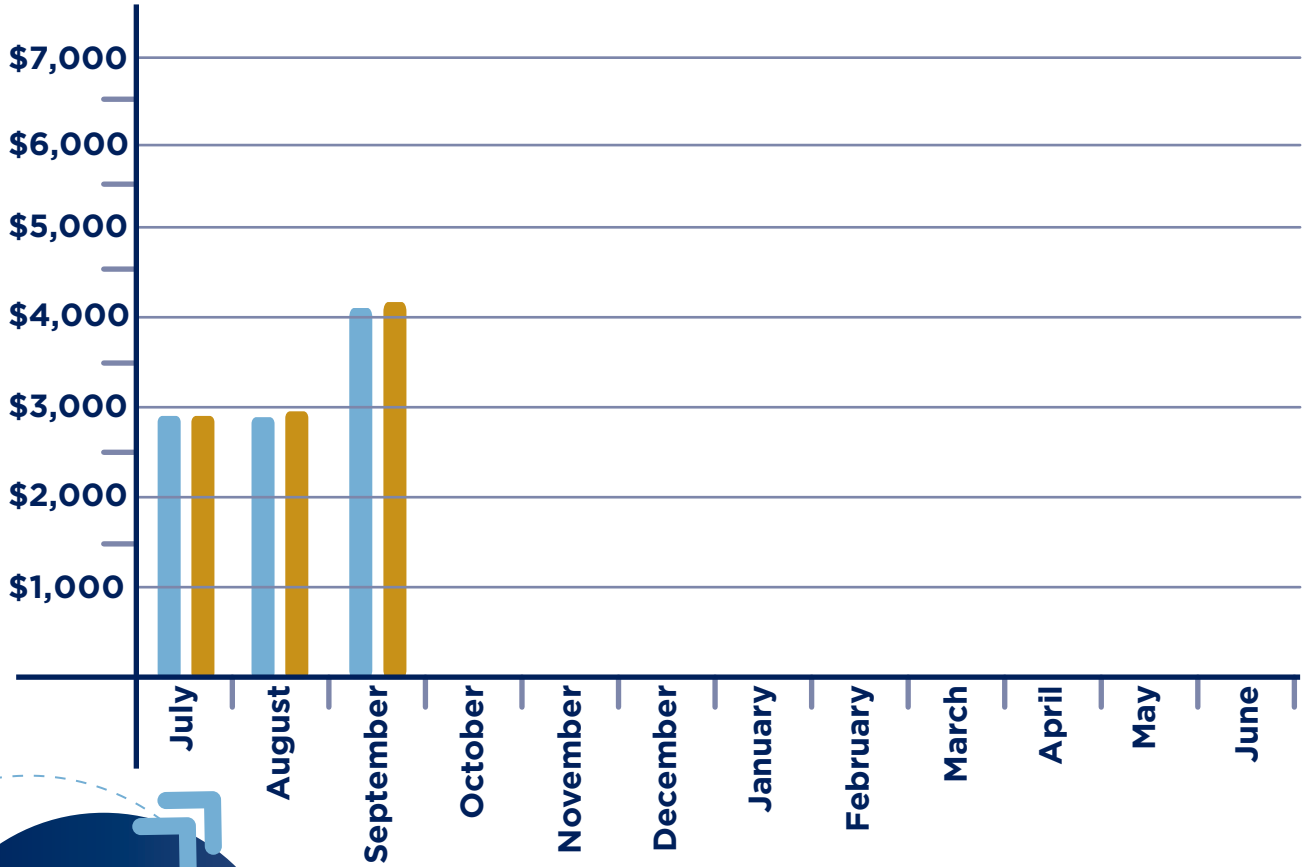
2023-2024 General Fund Revenues

Estimated vs. Actual Revenue Collections (in millions)

Through September, General Fund collections totaled \$9.8 million in 2023-24. This total is \$167.4 million, or 1.7 percent, below estimate.

Actual Revenue

Estimated Revenue



GRAPH

ACTUAL FIGURES
(in millions)

Month	Actual Revenues	Estimated Revenues
July	2,881	2,882
August	2,899	2,927
September	4,057	4,197
October		
November		
December		
January		
February		
March		
April		
May		
June		