

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 1488 Session of
1975

INTRODUCED BY BRUNNER, DeMEDIO AND MILLIRON, JUNE 16, 1975

REFERRED TO COMMITTEE ON FINANCE, JUNE 17, 1975

AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An
2 act relating to tax reform and State taxation by codifying
3 and enumerating certain subjects of taxation and imposing
4 taxes thereon; providing procedures for the payment,
5 collection, administration and enforcement thereof; providing
6 for tax credits in certain cases; conferring powers and
7 imposing duties upon the Department of Revenue, certain
8 employers, fiduciaries, individuals, persons, corporations
9 and other entities; prescribing crimes, offenses and
10 penalties," relating to certain bond requirements for
11 collectors of tax.

12 The General Assembly of the Commonwealth of Pennsylvania
13 hereby enacts as follows:

14 Section 1. Subsection (a) of section 277, act of March 4,
15 1971 (P.L.6, No.2), known as the "Tax Reform Code of 1971," is
16 amended to read:

17 Section 277. Bonds.--(a) Taxpayer to File Bond. Whenever the
18 department in its discretion, deems it necessary to protect the
19 revenues to be obtained under the provisions of this article, it
20 may require any [nonresident natural person or any foreign
21 corporation, association, fiduciary, partnership or other
22 entity, not authorized to do business within this Commonwealth
23 or not having an established place of business therein and

1 subject to the tax imposed by section 202 of this article, to
2 file] person required to collect the tax imposed by this article
3 to file with it a bond issued by a surety company authorized to
4 do business in this Commonwealth and approved by the Insurance
5 Commissioner as to solvency and responsibility, in such amounts
6 as it may fix, to secure the payment of any tax, interest, or
7 penalties due, or which may become due, from such [natural]
8 person [or corporation]. In order to protect the revenues to be
9 obtained under the provisions of this article, the department
10 shall require any nonresident natural person or any foreign
11 corporation, association, fiduciary, partnership or entity, who
12 or which is a building contractor, or who or which is a supplier
13 delivering building materials for work in this Commonwealth and
14 is not authorized to do business within this Commonwealth or
15 does not have an established place of business therein and is
16 subject to the tax imposed by section 202 of this article, to
17 file a bond issued by a surety company authorized to do business
18 in this Commonwealth and approved by the Insurance Commissioner
19 as to solvency and responsibility, in such amounts as it may
20 fix, to secure the payments of any tax, interest, or penalties
21 due, or which may become due, from such natural person,
22 corporation or other entity. The department may also require
23 such a bond of any person petitioning the department for
24 reassessment, in the case of any assessment over five hundred
25 dollars (\$500) or where it is of the opinion that the ultimate
26 collection is in jeopardy. The department may, for a period of
27 three years, require such a bond of any person who has on three
28 or more occasions within a twelve month period either filed a
29 return or made payment to the department more than thirty days
30 late. In the event that the department determines that a

1 taxpayer is to file such a bond, it shall give notice to such
2 taxpayer to that effect, specifying the amount of the bond
3 required. The taxpayer shall file such bond within five days
4 after the giving of such notice by the department unless, within
5 such five days, the taxpayer shall request, in writing, a
6 hearing before the Secretary of Revenue or his representative at
7 which hearing the necessity, propriety and amount of the bond
8 shall be determined by the secretary or such representative.
9 Such determination shall be final and shall be complied with
10 within fifteen days after notice thereof is mailed to the
11 taxpayer.

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