

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

# HOUSE BILL

## No. 1672

Session of  
1981

INTRODUCED BY WILSON, DOMBROWSKI, CORNELL, POTT, McVERRY, LUCYK,  
PENDLETON AND BOWSER, JUNE 17, 1981

AS REPORTED FROM COMMITTEE ON FINANCE, HOUSE OF REPRESENTATIVES,  
AS AMENDED, SEPTEMBER 14, 1981

## 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," further providing for the filing of sales tax  
11 returns, ~~and~~ for discounts for prompt payment of sales tax <—  
12 revenues AND FOR UNCOLLECTIBLE DEBTS. <—

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

15 Section 1. Sections 217, ~~218 and 227~~ AND 218, act of March <—  
16 4, 1971 (P.L.6, No.2), known as the "Tax Reform Code of 1971,"  
17 are amended to read:

18 Section 217. Time for Filing Returns.--(a) Monthly,  
19 Bimonthly and Quarterly Returns:

20 (1) For the year in which this article becomes effective and  
21 in each year thereafter a return shall be filed quarterly by  
22 every licensee on or before the [last] ~~tenth business~~ TWENTIETH <—

1 day of April, July, October and January for the three months  
2 ending the last day of March, June, September and December,  
3 except as hereinafter provided.

4 (2) For the year in which this article becomes effective,  
5 and in each year thereafter, ~~except as otherwise provided in~~ <—  
6 ~~clause (3),~~ a return shall be filed monthly with respect to each  
7 month by every licensee whose total tax reported, or in the  
8 event no report is filed, the total tax which should have been  
9 reported, for the third calendar quarter of the preceding year  
10 equals or exceeds six hundred dollars (\$600). Such returns shall  
11 be filed on or before the [fifteenth day of the second month  
12 succeeding the month] ~~tenth business~~ TWENTIETH day of the next <—  
13 ~~succeeding month~~ with respect to which the return is made[,  
14 except that the return due for the month of April, of each year,  
15 shall be filed on or before the twentieth day of May next  
16 following and the return due for the month of May of each year  
17 shall be filed on or before the twentieth day of June next  
18 following]. Any licensee required to file monthly returns  
19 hereunder shall be relieved from filing quarterly returns.

20 [(3) †For the year in which this article becomes effective, <—  
21 and for each year thereafter, every licensee required to file a  
22 quarterly return for the second calendar quarter shall file a  
23 single return for the months of April and May on or before the  
24 fifteenth day of June next following. The filing of such return  
25 shall not relieve the licensee of the duty to file a return on  
26 or before the last day of July next following and to remit  
27 therewith tax for the month of June.] ~~Whenever any licensee~~ <—  
28 ~~makes sales sufficient to warrant the collection of five~~  
29 ~~thousand dollars (\$5,000) in taxes, it shall be the duty of said~~  
30 ~~licensee to report and pay the tax within five business days of~~

~~that sale which amounts to five thousand dollars (\$5,000) due and owing. The report or payment of tax as provided by this subsection, will be considered to have been duly and timely filed if such report or payment is postmarked in the United States mail with postage prepaid in time to reach the department in the ordinary course of such mails on or before the fifth business day following the sale.~~

(b) Annual Returns. For the calendar year 1971, and for each year thereafter, no annual return shall be filed, except as may be required by rules and regulations of the department promulgated and published at least sixty days prior to the end of the year with respect to which the returns are made. Where such annual returns are required licensees shall not be required to file such returns prior to the [sixty-first] thirtieth day of the year succeeding the year with respect to which the returns are made.

(c) Other Returns. Any person, other than a licensee, liable to pay to the department any tax under this article, shall file a return on or before the [last] TWENTIETH day of the month succeeding] ~~tenth business day of~~ the month in which such person becomes liable for the tax. <—

(d) Small Taxpayers. The department, by regulation, may waive the requirement for the filing of quarterly return in the case of any licensee whose individual tax collections do not exceed seventy-five dollars (\$75) per calendar quarter and may provide for reporting on a less frequent basis in such cases.

Section 218. Extension of Time for Filing Returns.--The department may, on written application and for good cause shown, grant a reasonable extension of time for filing any return required under this part. However, the time for making a return

1 shall not be extended for more than [three months] thirty days.

2 ~~Section 227. Discount. If a return is filed by a licensee~~ <—  
3 ~~and the tax shown to be due thereon less any discount is paid~~  
4 ~~all within the time prescribed, the licensee shall be entitled~~  
5 ~~to credit and apply against the tax payable by him a discount of~~  
6 ~~{one per cent} one quarter of one per cent of the amount of the~~  
7 ~~tax collected by him on and after the effective date of this~~  
8 ~~article, as compensation for the expense of collecting and~~  
9 ~~remitting the same and as a consideration of the prompt payment~~  
10 ~~thereof.~~

11 ~~Section 2. This act shall take effect September 1, 1982.~~

12 SECTION 2. SECTION 246 OF THE ACT IS REPEALED. <—

13 SECTION 3. SECTION 247 OF THE ACT IS AMENDED TO READ:

14 SECTION 247. PREPAYMENT OF TAX.--[WHENEVER] IF ANY SALE  
15 SUBJECT TO TAX HEREUNDER IS FINANCED WHOLLY OR PARTLY ON CREDIT,  
16 OR WHENEVER A VENDOR IS FORBIDDEN BY LAW OR GOVERNMENTAL  
17 REGULATION TO CHARGE AND COLLECT THE PURCHASE PRICE IN ADVANCE  
18 OF OR AT THE TIME OF DELIVERY, THE VENDOR SHALL PREPAY THE TAX  
19 AS REQUIRED BY SECTION 222 OF THIS ARTICLE, BUT IN SUCH CASE IF  
20 THE PURCHASER SHALL FAIL TO PAY TO THE VENDOR THE TOTAL AMOUNT  
21 OF THE PURCHASE PRICE AND THE TAX, AND SUCH AMOUNT IS WRITTEN  
22 OFF AS UNCOLLECTIBLE BY THE VENDOR, THE VENDOR SHALL NOT BE  
23 LIABLE FOR SUCH TAX AND SHALL BE ENTITLED TO A CREDIT OR REFUND  
24 OF SUCH TAX PAID. CREDITS MAY BE CLAIMED ON ANY SUBSEQUENT  
25 RETURNS FILED. REFUNDS MAY BE CLAIMED UPON PETITION TO THE  
26 DEPARTMENT UNDER THE PROVISIONS OF SECTION 252 OF THIS ARTICLE,  
27 FILED WITHIN ONE HUNDRED FIVE DAYS OF THE CLOSE OF THE FISCAL  
28 YEAR IN WHICH SUCH ACCOUNTS ARE WRITTEN OFF. IF THE PURCHASE  
29 PRICE IS THEREAFTER COLLECTED, IN WHOLE OR IN PART, [THE AMOUNT  
30 COLLECTED SHALL BE FIRST APPLIED TO THE PAYMENT OF THE ENTIRE

1 TAX PORTION OF THE BILL, AND] THE TAX ATTRIBUTABLE TO THE  
2 AMOUNTS COLLECTED SHALL BE REMITTED TO THE DEPARTMENT BY THE  
3 VENDOR WITH THE FIRST RETURN FILED AFTER SUCH COLLECTION. [FOR  
4 ANY TAX PREPAID PRIOR TO THE EFFECTIVE DATE OF THIS ARTICLE,  
5 CREDIT MAY BE CLAIMED ON ANY RETURNS FILED FOR THE PERIODS PRIOR  
6 TO THE EFFECTIVE DATE OF THIS ARTICLE. TAX PREPAID AFTER THE  
7 EFFECTIVE DATE OF THIS ARTICLE SHALL BE SUBJECT TO REFUND UPON  
8 PETITION TO THE DEPARTMENT UNDER THE PROVISIONS OF SECTION 252  
9 OF THIS ARTICLE, FILED WITHIN ONE HUNDRED FIVE DAYS OF THE CLOSE  
10 OF THE FISCAL YEAR IN WHICH SUCH ACCOUNTS ARE WRITTEN OFF.]

11 SECTION 4. (A) SECTIONS 1 AND 2 OF THIS ACT SHALL TAKE  
12 EFFECT SEPTEMBER 1, 1982.

13 (B) SECTION 3 SHALL TAKE EFFECT JULY 1, 1983.