

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 690 Session of
2005

INTRODUCED BY WATSON, KILLION, PHILLIPS, E. Z. TAYLOR, O'NEILL,
CLYMER, CALTAGIRONE, CAWLEY, CORRIGAN, CREIGHTON, DENLINGER,
GEIST, HARPER, HERMAN, HICKERNELL, McILHINNEY, S. MILLER,
PICKETT, SCAVELLO, TANGRETTI, THOMAS AND YOUNGBLOOD,
MARCH 1, 2005

REFERRED TO COMMITTEE ON FINANCE, MARCH 1, 2005

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 monthly, semimonthly and
11 quarterly payment of taxes withheld by employers for purposes
12 of personal income tax.

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

15 Section 1. Section 319 of the act of March 4, 1971 (P.L.6,
16 No.2), known as the Tax Reform Code of 1971, added August 31,
17 1971 (P.L.362, No.93), is amended to read:

18 Section 319. Monthly, Semi-monthly and Quarterly Payment of
19 Taxes Withheld.--Every employer withholding tax under this
20 article shall pay over to the department or to a depository
21 designated by it the tax required to be deducted and withheld

1 under this article.

2 (1) Where the aggregate amount required to be deducted and
3 withheld by any employer for each quarterly period can
4 reasonably be expected to be less than [three hundred dollars
5 (\$300),] six hundred dollars (\$600), such employer shall file a
6 return and pay the tax on or before the last day for filing a
7 quarterly return under section 318.

8 (2) Where the aggregate amount required to be deducted and
9 withheld by any employer for each quarterly period can
10 reasonably be expected to be [three hundred dollars (\$300) or
11 more but less than one thousand dollars (\$1,000),] six hundred
12 dollars (\$600) or more but less than two thousand dollars
13 (\$2,000), such employer shall pay the tax monthly, on or before
14 the fifteenth day of the month succeeding the months of January
15 to November, inclusive, and on or before the last day of January
16 following the month of December.

17 (3) Where the aggregate amount required to be deducted and
18 withheld by any employer for each quarterly period can
19 reasonably be expected to be [one thousand dollars (\$1,000)] two
20 thousand dollars (\$2,000) or more, such employer shall pay the
21 tax semi-monthly, within three banking days after the close of
22 the semi-monthly period.

23 Notwithstanding anything in this section to the contrary,
24 whenever any employer fails to deduct or truthfully account for
25 or pay over the tax withheld or file returns as prescribed by
26 this article, the department may serve a notice on such employer
27 requiring him to withhold taxes which are required to be
28 deducted under this article and deposit such taxes in a bank
29 approved by the department in a separate account in trust for
30 and payable to the department, and to keep the amount of such

1 tax in such account until payment over to the department. Such
2 notice shall remain in effect until a notice of cancellation is
3 served on the employer by the department.

4 Section 2. This act shall take effect on the first day of
5 the first calendar quarter beginning more than 60 days after the
6 date of enactment of this act.