

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 909

Session of
1985

INTRODUCED BY BURNS, LAUGHLIN, FOX AND CLYMER, APRIL 16, 1985

REFERRED TO COMMITTEE ON FINANCE, APRIL 16, 1985

AN ACT

1 Providing for an amnesty period for delinquent taxpayers.

2 The General Assembly of the Commonwealth of Pennsylvania

3 hereby enacts as follows:

4 Section 1. Short title.

5 This act shall be known and may be cited as the Tax

6 Delinquency Amnesty Act.

7 Section 2. Definitions.

8 The following words and phrases when used in this act shall

9 have the meanings given to them in this section unless the

10 context clearly indicates otherwise:

11 "Department." The Department of Revenue of the Commonwealth.

12 "Regulations." Any rules, regulations and forms prescribed

13 by the department.

14 "Taxable period." Any period of time for which any tax is

15 imposed by and owed to the Commonwealth.

16 "Taxpayer." A person, corporation or other entity subject to

17 any tax imposed by any law of this Commonwealth and payable to

1 the Commonwealth.

2 Section 3. Amnesty program.

3 (a) Establishment.--The department shall establish an
4 amnesty program for all taxpayers owing any tax imposed by
5 reason of or pursuant to authorization by any law of the
6 Commonwealth and collected by the department. Amnesty tax return
7 forms shall be prepared by the department and shall provide for
8 specification by the taxpayer of the tax and the taxable period
9 for which amnesty is being sought by the taxpayer.

10 (b) Time period.--The amnesty period shall be for a period
11 from September 1, 1985, to midnight, November 30, 1985.

12 (c) Provisions.--The amnesty program is available upon
13 written application by any taxpayer and payment by such taxpayer
14 of all taxes due from the taxpayer to the Commonwealth for a
15 taxable period ending prior to August 31, 1985. The department
16 shall not seek to collect any other interest or penalties which
17 may be applicable and the department shall not seek civil or
18 criminal prosecution for any taxpayer for the period of time for
19 which amnesty has been granted to a taxpayer. Failure to pay all
20 taxes due shall invalidate any amnesty granted pursuant to this
21 act. Amnesty shall be granted only for the taxable periods
22 specified in the application and only if all amnesty conditions
23 are satisfied by the taxpayer.

24 Section 4. Elements of program; inapplicability where taxpayer
25 is on notice of criminal investigation or
26 litigation has been initiated; previously paid
27 penalty.

28 (a) General rule.--For any taxpayer who meets the
29 requirements of section 5:

30 (1) The department shall waive all interest and

1 penalties imposed by law for the taxable years for which tax
2 amnesty is requested, which are owed as a result of the
3 nonreporting or underreporting of tax liabilities or the
4 nonpayment of any taxes previously assessed.

5 (2) No criminal action shall be brought against the
6 taxpayer, for the taxable years for which tax amnesty is
7 requested, for nonreporting or underreporting of tax
8 liabilities or the nonpayment of any taxes previously
9 assessed.

10 (b) Exception.--This section shall not apply to violations
11 of this act for which, as of September 1, 1985:

12 (1) The taxpayer is on notice of a criminal
13 investigation by a complaint having been filed against him or
14 by a written notice having been mailed to him that he is
15 under criminal investigation.

16 (2) A court proceeding has already been initiated.

17 (c) Nonretroactivity.--No refund or credit shall be granted
18 for any penalty paid prior to the time the taxpayer makes a
19 request for tax amnesty pursuant to section 5.

20 Section 5. Requisites for compliance with program; full
21 compliance required; deficiency assessment.

22 (a) Applicability.--The provisions of this act shall apply
23 to any taxpayer who, on or after September 1, 1985, and before
24 midnight, November 30, 1985, files an application for tax
25 amnesty and does both of the following:

26 (1) Files completed tax returns for all years for which
27 the taxpayer previously has not filed a tax return and files
28 complete amended returns for all years for which the taxpayer
29 underreported income.

30 (2) Pays in full the taxes due.

1 (b) Installment payments allowed.--The department may enter
2 into an installment payment agreement in lieu of complete
3 payment required under subsection (a)(2). Failure by the
4 taxpayer to fully comply with the terms of the installment
5 agreement shall render the waiver of penalties null and void,
6 unless the department determines that the failure was due to
7 reasonable cause, and the total amount of tax, interest and all
8 penalties shall be immediately due and payable.

9 (c) Limitation on deficiency assessment.--If, subsequent to
10 November 30, 1985, the department issues a deficiency assessment
11 upon a return filed pursuant to subsection (a), the department
12 shall have the authority to impose penalties and to seek
13 criminal action under this subsection only with respect to the
14 difference between the amount shown on that return and the
15 correct amount of tax. This action shall not invalidate any
16 waiver granted under section 4.

17 Section 6. Overpayment of tax.

18 Notwithstanding any provision of this act, if an overpayment
19 of tax is refunded or credited within 180 days after the return
20 is filed under the provisions of this act, no interest shall be
21 allowed on that overpayment.

22 Section 7. Duties of department.

23 (a) Forms.--The department shall issue forms and
24 instructions and take other actions needed to implement this
25 act.

26 (b) Public notice.--The department shall publicize the tax
27 amnesty program to maximize public awareness of and
28 participation in the program. The department shall coordinate to
29 the highest degree possible its publicity efforts and other
30 actions taken to implement this act.

1 Section 8. Failure to file tax returns or to pay tax.

2 Notwithstanding the provisions of this act, failure to file
3 tax returns or to pay a tax due shall be unaffected by this act.

4 Section 9. Use of revenue.

5 (a) General rule.--No less than 15% of the revenue
6 generated as a result of this act shall be set aside to
7 establish a fund to be administered by the Department of Public
8 Welfare for the Low-Income Energy Assistance Program.

9 (b) Remainder.--The remainder of revenue generated by this
10 act shall be deposited in the General Fund.

11 Section 10. Effective date.

12 This act shall take effect August 1, 1985.