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Senate of Pennsylvania

MEMORANDUM

TO:

All Senators

FROM:

Senator Vincent Hughes

DATE:

July 6, 2011

RE:

Co-sponsorship - State and Local Amnesty Program

In the near future, I plan to introduce legislation that establishes the delinquent payment amnesty program. This program provides amnesty for certain delinquent payments to the Commonwealth and local agencies, and it imposes penalties.

The bill will require all areas of the Commonwealth to participate, except taxation issues due to the recent tax amnesty already held. The bill will also require delinquent local taxes and court ordered payment to be included, if the local government chooses to participate. A delinquent payer will be forgiven half of any interest payment due and all of any penalty in exchange for either paying the delinquency by the last day of amnesty, or setting up a financial hardship payment schedule. The amnesty period will be March 1st through March 31st 2012.

The Department of State will administer the program and may spend up to \$11 million to advertise the plan. All levels of local government including authorities and school districts may choose to be involved by completing an application from the Department of State's website. Each government entity participating will have to pay a prorated share of its amnesty proceeds to reimburse the Department for its administrative and advertising costs. The funds collected are to be used for the original purpose for which they were collected.

After the amnesty period, each local government, who participated, may collect an additional 5% of the amount not paid for new penalties and may hire an outside private collector to go after delinquent payments.

If you would like to co-sponsor this legislation, please contact Ciarra Karnes in my office at 787-7112 or by email at ckarnes@pasenate.com.