
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1059 Session of
1991

INTRODUCED BY FISHER, TILGHMAN, GREENLEAF, LOEPER, HART,
SALVATORE, PETERSON, SHUMAKER, CORMAN, BELL, JUBELIRER,
HELFRICK, ARMSTRONG, ROBBINS, LEMMOND, RHOADES, REIBMAN,
LAVALLE, BELAN, STEWART, WENGER, MELLOW, LEWIS, AFFLERBACH,
SCHWARTZ, SCANLON AND STOUT, MAY 13, 1991

REFERRED TO FINANCE, MAY 13, 1991

AN ACT

1 Authorizing the Secretary of Revenue to establish a period
2 during which interest and penalties on certain unpaid taxes
3 will be waived if the taxes are paid in full; authorizing
4 political subdivisions to adopt similar provisions; and
5 providing for penalties.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 Section 1. Establishment of amnesty period.

9 (a) Authority of Secretary of Revenue.--In order to
10 encourage the voluntary disclosure and payment of taxes owed to
11 the Commonwealth and its political subdivisions, the Secretary
12 of Revenue is hereby authorized to establish a six-month period
13 within the 18-month period of January 1, 1991, to June 30, 1992,
14 during which all interest and civil penalties which would
15 otherwise be imposed for the nonreporting or underreporting of
16 tax liabilities or for the nonpayment of taxes previously
17 imposed and due shall be waived if the taxpayer voluntarily
18 files delinquent returns and pays the taxes in full within the

1 six-month period so established.

2 (b) Regulations.--The Secretary of Revenue shall have the
3 authority to promulgate any regulations deemed necessary to
4 administer this act, including, but not limited to, the
5 following requirements:

6 (1) A taxpayer who applies for amnesty shall do so in
7 writing on a special request for amnesty form and make full
8 payment of all taxes owed.

9 (2) All amnesty payments shall be made by certified
10 check or money order.

11 (3) Amnesty shall not be available to any person who is
12 the subject of a criminal investigation or court prosecution
13 for violation of the act of March 4, 1971 (P.L.6, No.2),
14 known as the Tax Reform Code of 1971.

15 (c) Notice.--When the dates of the six-month period have
16 been determined as provided in subsection (a), the Secretary of
17 Revenue shall give notice thereof, at least 90 days prior to the
18 period so determined, by causing the dates of that period and
19 any regulations deemed necessary to administer the program to be
20 published in the Pennsylvania Bulletin. Upon publication, the
21 program shall be deemed established as to taxes imposed by the
22 Commonwealth. The Secretary of Revenue shall notify in writing
23 all taxpayers who owe taxes in excess of \$5,000 to the
24 Commonwealth of the six-month amnesty period established under
25 this act.

26 Section 2. Authority of political subdivisions.

27 Any county, city, borough, incorporated town, township or
28 school district may, by ordinance or resolution, establish the
29 same six-month period as is established under section 1, as a
30 period during which all interest and penalties which would

1 otherwise be imposed for the nonreporting or underreporting of
2 tax liabilities or for the nonpayment of taxes previously
3 imposed by the political subdivision shall be waived if the
4 taxpayer voluntarily files delinquent returns and pays the taxes
5 owed in full within the six-month period so established. Each
6 taxing authority may adopt regulations deemed necessary to
7 administer this act, including, but not limited to, the
8 following requirements:

9 (1) A taxpayer who applies for amnesty shall do so in
10 writing on a special request for amnesty form and make full
11 payment of all taxes owed.

12 (2) All amnesty payments shall be made by certified
13 check or money order.

14 (3) Amnesty shall not be available to anyone who is the
15 subject of a criminal investigation or court prosecution for
16 violation of the act of March 4, 1971 (P.L.6, No.2), known as
17 the Tax Reform Code of 1971.

18 Section 3. Failure to pay tax.

19 (a) Taxes, interest and penalties.--If the full amount of
20 the taxes due is not paid within the six-month period
21 established in this act, the total amount of the waived interest
22 and penalties shall be revived and added to the unpaid taxes
23 with the same force and effect as if the interest and civil
24 penalties had never been waived and the taxpayer shall not be
25 entitled to any benefits or privileges under this act.

26 (b) Sentence of imprisonment for tax evasion.--

27 (1) A person who, at the end of the six-month amnesty
28 period established under this act, fails to pay in full taxes
29 owed to the Commonwealth and in an amount which is \$4,000 or
30 less, commits a misdemeanor of the third degree and shall,

1 upon conviction, be sentenced to a term of imprisonment for
2 not more than one year.

3 (2) A person who, at the end of the six-month amnesty
4 period established under this act, fails to pay in full taxes
5 owed to the Commonwealth in an amount which is greater than
6 \$4,000, commits a misdemeanor of the first degree and shall,
7 upon conviction, be sentenced to a term of imprisonment for
8 not more than five years.

9 (c) Private collection agencies.--At the end of the six-
10 month amnesty period established under this act, the Department
11 of Revenue shall, through the competitive bidding process,
12 obtain a minimum of two private bill collection agencies to
13 collect all delinquent accounts.

14 (d) Limitation of actions.--An action for collection must be
15 commenced within 20 years of the last day of the six-month
16 amnesty period established under this act.

17 (e) Professional licenses.--At the end of the six-month
18 amnesty period established under this act, any Commonwealth,
19 professional, trade or business license shall be suspended or
20 revoked by the Department of Revenue, if the holder fails to
21 file or pay taxes owed to the Commonwealth.

22 (f) Vendors.--At the end of the six-month amnesty period
23 established under this act, the renewal of any contract to
24 supply goods or services to State or local governments shall be
25 denied, upon the request of the Department of Revenue, if the
26 vendor fails to file or pay taxes owed to the Commonwealth.

27 Section 4. Construction.

28 This act shall not be construed to relieve any person,
29 corporation or other entity from the filing of returns or from
30 any taxes, penalties or interest imposed by the provisions of

1 any laws, ordinances or resolutions, except as to interest and
2 civil penalties expressly provided for in this act, nor shall
3 this act affect or terminate any petitions, investigations,
4 prosecutions, legal or otherwise, or other proceedings pending
5 under the provisions of any laws, ordinances or resolutions, or
6 prevent the commencement or further prosecution of any
7 proceedings by the proper authorities of the Commonwealth or any
8 political subdivision under any laws, ordinances or resolutions.
9 However, no proceedings shall be commenced on the basis of
10 delinquent returns filed under this act if the returns are
11 determined to be substantially true and correct and the taxes
12 are paid in full within the prescribed time.

13 Section 5. Suspension of inconsistent acts, ordinances and
14 resolutions.

15 All acts and parts of acts and all ordinances and resolutions
16 or parts thereof inconsistent with the provisions of this act
17 are suspended to the extent necessary to carry out the
18 provisions of this act.

19 Section 6. Effective date.

20 This act shall take effect immediately.