

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1310 Session of
2003

INTRODUCED BY DeWEESE AND VEON, MAY 5, 2003

REFERRED TO COMMITTEE ON FINANCE, MAY 5, 2003

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," providing, in general provisions, for the
11 authority to attach wages, commissions and other earnings and
12 for a penalty.

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

15 Section 1. The act of March 4, 1971 (P.L.6, No.2), known as
16 the Tax Reform Code of 1971, is amended by adding a section to
17 read:

18 Section 3003.15. Authority to Attach Wages, Commissions and
19 Other Earnings.--(a) The Department of Revenue may, upon the
20 presentation of a written notice and demand certifying that the
21 information contained within is true and correct and containing
22 the name of the taxpayer and the amount of delinquent State tax

1 due plus the department's costs, demand, receive and collect the
2 amount from any entity:

3 (i) employing persons owing delinquent State taxes; or

4 (2) having in its possession unpaid commissions or earnings
5 belonging to any person or persons owing delinquent State taxes.

6 (b) Subject to the limitations in subsection (c), upon the
7 receipt of a written notice and demand pursuant to subsection

8 (a), an entity shall deduct from the wages of an individual

9 employe the amount shown on the notice and shall forward the

10 amount to the department within sixty days after receipt of the
11 notice.

12 (c) No more than ten per cent of the wages of an individual
13 employe who is a delinquent taxpayer may be deducted at any one

14 time for delinquent State taxes and costs. The entity is

15 entitled to deduct from the amount collected from the individual
16 employe the costs incurred by the entity for the extra

17 bookkeeping necessary to record the transactions, but not to

18 exceed two per cent of the amount collected from the individual
19 employe.

20 (d) Upon the failure of an entity to deduct or forward an
21 amount required under this section within the time period

22 required under subsection (b), the entity shall pay the amount
23 of the delinquent State tax and costs for each individual

24 employe who is a delinquent taxpayer subject to a demand in

25 addition to a penalty of ten per cent of the delinquent State
26 tax and costs. An entity paying delinquent taxes, costs and a

27 penalty pursuant to this subsection shall not have the benefit
28 of any stay of execution or exemption law.

29 (e) The following words, terms and phrases, when used in
30 this section, shall have the meaning ascribed to them in this

1 section, except where the context clearly indicates a different
2 meaning:

3 "Entity." The United States, the Commonwealth or any of its
4 political subdivisions, a corporation, an association, a
5 company, a firm or an individual.

6 "Wages." Any wages, commissions or earnings of an individual
7 employee:

8 (1) which are currently owed to the individual employee;

9 (2) which shall become due within sixty days of receipt of a
10 written notice and demand pursuant to subsection (b);

11 (3) any unpaid commissions or earnings of an individual
12 employee in the entity's possession; or

13 (4) any unpaid commissions or earnings of an individual
14 employee that comes into the entity's possession within sixty
15 days of receipt of a written notice and demand pursuant to
16 subsection (a).

17 Section 2. This act shall take effect July 1, 2003, or
18 immediately, whichever is later.