

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2142 Session of  
2008

INTRODUCED BY ROSS, BARRAR, BOYD, BRENNAN, CARROLL, CREIGHTON, DePASQUALE, FLECK, GEIST, GINGRICH, GRELL, HARPER, HERSHEY, HESS, HORNAMAN, LONGIETTI, McILHATTAN, McILVAINE SMITH, MILLARD, R. MILLER, MILNE, MOYER, NAILOR, NICKOL, O'NEILL, PAYNE, PETRARCA, PHILLIPS, PICKETT, RAPP, READSHAW, REICHLEY, ROHRER, RUBLEY, SAYLOR, SCHRODER, SIPTROTH, SWANGER, TRUE, WANSACZ AND YOUNGBLOOD, JANUARY 3, 2008

REFERRED TO COMMITTEE ON FINANCE, JANUARY 3, 2008

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 declarations of estimated  
11 tax.

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

14 Section 1. Section 325 of the act of March 4, 1971 (P.L.6,  
15 No.2), known as the Tax Reform Code of 1971, amended August 4,  
16 1991 (P.L.97, No.22) and May 12, 1999 (P.L.26, No.4), is amended  
17 to read:

18 Section 325. Declarations of Estimated Tax.--(a) Every  
19 resident and nonresident individual, trust and estate shall at  
20 the time hereinafter prescribed make a declaration of his or its

1 estimated tax for the taxable year, containing such information  
2 as the department may prescribe by regulations, if his or its  
3 income, other than from compensation on which tax is withheld  
4 under this article, can reasonably be expected to exceed [eight  
5 thousand dollars (\$8,000)] ten thousand dollars (\$10,000).

6 (b) For the purposes of this article, the term "estimated  
7 tax" means the amount which an individual, trust or estate  
8 estimates to be his or its tax due under this article for the  
9 taxable year, less the amount which he or it estimates to be the  
10 sum of any credits allowable against the tax under this article.

11 (c) A husband and wife may make a joint declaration of  
12 estimated tax hereunder as if they were one taxpayer, in which  
13 case the liability with respect to the estimated tax shall be  
14 joint and several. If a joint declaration is made but husband  
15 and wife elect to determine their taxes separately, the  
16 estimated tax for such year may be treated as the estimated tax  
17 of either husband or wife, or may be divided between them, as  
18 they may elect.

19 (d) Except as hereinafter provided, the date for filing a  
20 declaration of estimated tax shall depend upon when the resident  
21 or nonresident individual, trust or estate determines that his  
22 or its income on which no tax has been withheld under this  
23 article can reasonably be expected to exceed [eight thousand  
24 dollars (\$8,000)] ten thousand dollars (\$10,000) in the taxable  
25 year, as follows:

26 (1) If the determination is made on or before April 1 of the  
27 taxable year, a declaration of estimated tax shall be filed no  
28 later than April 15 of the taxable year.

29 (2) If the determination is made after April 1 but before  
30 June 2 of the taxable year, the declaration shall be filed no

1 later than June 15 of such year.

2 (3) If the determination is made after June 1 but before  
3 September 2 of the taxable year, the declaration shall be filed  
4 no later than September 15 of such year.

5 (4) If the determination is made after September 1 of the  
6 taxable year, the declaration shall be filed no later than  
7 [January 15] April 15 of the year succeeding the taxable year[.]  
8 and may be filed with the taxpayer's annual tax return as  
9 provided under this article.

10 (e) Notwithstanding subsection (d) of this section, a  
11 declaration of estimated tax of an individual having an  
12 estimated gross income from farming for the taxable year which  
13 is at least two-thirds of his total estimated gross income for  
14 the taxable year may be filed at any time on or before January  
15 15 of the succeeding year, but if the farmer files a final  
16 return and pays the entire tax by March 1, the return may be  
17 considered as his declaration due on or before January 15.

18 (f) A declaration of estimated tax of an individual, trust  
19 or estate having a total estimated tax for the taxable year of  
20 one hundred dollars (\$100) or less may be filed at any time on  
21 or before January 15 of the succeeding year under regulations of  
22 the department.

23 (g) An individual, trust or estate may amend a declaration  
24 under regulations of the department.

25 (h) If on or before January 31 of the year succeeding a  
26 taxable year, an individual, trust or estate files his or its  
27 return for the entire taxable year for which a declaration was  
28 required to be filed within the time prescribed by subsection  
29 (d)(4) of this section and pays therewith the full amount of the  
30 tax shown to be due on the return:

1       (1) Such return shall be considered as his or its  
2 declaration which was required to be filed no later than January  
3 15.

4       (2) Such return shall be considered as the amendment  
5 permitted by subsection (g) to be filed on or before January 15  
6 provided the amount of the tax shown on the return is greater  
7 than the amount of the estimated tax shown in a declaration  
8 previously made.

9       (i) This article shall apply to a taxable year other than a  
10 calendar year by the substitution of the months of such fiscal  
11 year for the corresponding months specified in this section.

12       (j) This article shall apply to an individual, trust or  
13 estate having a taxable year of less than twelve months in  
14 accordance with procedures prescribed in regulations of the  
15 department.

16       Section 2. This act shall apply to taxable years beginning  
17 after December 31, 2007.

18       Section 3. This act shall take effect immediately.