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 THE GENERAL ASSEMBLY OF PENNSYLVANIA
 

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# HOUSE BILL

No. 17 Session of  
2019

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INTRODUCED BY RYAN, GROVE, JAMES, KAUFFMAN, KEEFER, SAYLOR,  
SIMMONS, STAATS, WALSH, LAWRENCE, F. KELLER, JONES, GILLEN,  
COX, GABLER, JOZWIAK, QUINN, GLEIM, GREINER, BERNSTINE, KORTZ  
AND DUSH, JANUARY 28, 2019

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AS AMENDED ON THIRD CONSIDERATION, IN SENATE, NOVEMBER 18, 2019

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## 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," IN SALES AND USE TAX, FURTHER PROVIDING FOR <--  
11 EXCLUSIONS FROM TAX; in general provisions, FURTHER PROVIDING <--  
12 FOR ADMINISTRATIVE BANK ATTACHMENT FOR ACCOUNTS OF OBLIGORS  
13 TO THE COMMONWEALTH AND providing for ~~statute of limitation~~ <--  
14 ~~for~~ collection of assessed taxes and for ~~period of~~ <--  
15 ~~limitations on~~ criminal tax prosecutions.

16 The General Assembly of the Commonwealth of Pennsylvania  
17 hereby enacts as follows:

18 ~~Section 1. The act of March 4, 1971 (P.L.6, No.2), known as <--~~  
19 ~~the Tax Reform Code of 1971, is amended by adding sections to~~  
20 ~~read:~~

21 SECTION 1. SECTION 204 OF THE ACT OF MARCH 4, 1971 (P.L.6, <--  
22 NO.2), KNOWN AS THE TAX REFORM CODE OF 1971, IS AMENDED BY  
23 ADDING A PARAGRAPH TO READ:

1 SECTION 204. EXCLUSIONS FROM TAX.--THE TAX IMPOSED BY  
2 SECTION 202 SHALL NOT BE IMPOSED UPON ANY OF THE FOLLOWING:

3 \* \* \*

4 (73) THE SALE AT RETAIL OR USE BY A FINANCIAL INSTITUTION OF  
5 CANNED COMPUTER SOFTWARE DIRECTLY UTILIZED IN CONDUCTING THE  
6 BUSINESS OF BANKING. FOR THE PURPOSES OF THIS CLAUSE, THE  
7 FOLLOWING WORDS AND PHRASES SHALL HAVE THE FOLLOWING MEANINGS:

8 "DIRECTLY UTILIZED IN CONDUCTING THE BUSINESS OF BANKING"  
9 INCLUDES THE PURCHASE OF CANNED COMPUTER SOFTWARE BY A FINANCIAL  
10 INSTITUTION TO BE USED IN TRANSACTIONS WITH CUSTOMERS AND  
11 SERVICE PROVIDERS. THE TERM DOES NOT INCLUDE THE PURCHASE OF  
12 CANNED COMPUTER SOFTWARE BY ENTITIES, OTHER THAN A FINANCIAL  
13 INSTITUTION, SUCH AS HOLDING COMPANIES AND SUBSIDIARIES OF A  
14 FINANCIAL INSTITUTION.

15 "FINANCIAL INSTITUTION" MEANS AN INSTITUTION DOING BUSINESS  
16 IN THIS COMMONWEALTH SUBJECT TO THE TAX IMPOSED BY ARTICLE VII  
17 OR ARTICLE XV.

18 SECTION 2. SECTION 3003.22 OF THE ACT IS AMENDED TO READ:

19 SECTION 3003.22. ADMINISTRATIVE BANK ATTACHMENT FOR ACCOUNTS  
20 OF OBLIGORS TO THE COMMONWEALTH.--(A) THE FOLLOWING SHALL  
21 APPLY:

22 (1) EXCEPT AS PROHIBITED BY FEDERAL OR STATE LAW, A  
23 FINANCIAL INSTITUTION DOING BUSINESS IN THIS COMMONWEALTH SHALL,  
24 UPON REQUEST, AND NOT MORE OFTEN THAN QUARTERLY, UNDERTAKE  
25 REASONABLE EFFORTS TO PROVIDE A REPORT CONTAINING IDENTIFYING  
26 INFORMATION AND ASSET INFORMATION AS THE DEPARTMENT MAY SPECIFY  
27 FOR ANY OBLIGOR AS IDENTIFIED BY THE DEPARTMENT BY NAME AND  
28 SOCIAL SECURITY NUMBER, FEDERAL EMPLOYER IDENTIFICATION NUMBER  
29 OR OTHER TAXPAYER IDENTIFICATION NUMBER. THE REPORT AND  
30 INFORMATION SHALL BE IN THE FORM AND FORMAT AS PRESCRIBED BY THE

1 DEPARTMENT PURSUANT TO SUBSECTIONS (E) AND (P).

2 (2) THE DEPARTMENT SHALL PROVIDE INFORMATION IDENTIFYING THE  
3 OBLIGORS FOR WHICH FINANCIAL INSTITUTIONS ARE REQUIRED TO  
4 PROVIDE REPORTS UNDER PARAGRAPH (1) IN A STANDARD AND GENERALLY  
5 UTILIZED ELECTRONIC MACHINE READABLE FORMAT. IF REQUESTED BY A  
6 FINANCIAL INSTITUTION, THE DEPARTMENT SHALL COORDINATE THE  
7 REQUESTS AND THE SUBMISSION OF REPORTS UNDER THIS SECTION WITH  
8 SIMILAR PROCEDURES UTILIZED FOR DATA EXCHANGES UNDER 23 PA.C.S.  
9 § 4304.1 (RELATING TO COOPERATION OF GOVERNMENT AND  
10 NONGOVERNMENT AGENCIES).

11 (3) REPORTS PROVIDING IDENTIFYING AND ASSET INFORMATION  
12 UNDER THIS SUBSECTION SHALL BE PROVIDED TO THE DEPARTMENT WITHIN  
13 THIRTY DAYS OF RECEIPT OF REQUESTS FOR REPORTS FROM THE  
14 DEPARTMENT, UNLESS THE DEPARTMENT FOR GOOD CAUSE EXTENDS THE  
15 DEADLINE FOR PROVIDING REPORTS.

16 (B) THE DEPARTMENT AND FINANCIAL INSTITUTIONS ARE AUTHORIZED  
17 TO ENTER INTO AGREEMENTS FOR THE PURPOSE OF CARRYING OUT THE  
18 PROVISIONS OF THIS SECTION, WHICH MAY MODIFY THE PROCEDURES  
19 CONTAINED IN THE DEPARTMENT'S GUIDELINES AS OTHERWISE PROVIDED  
20 BY SUBSECTION (P).

21 (C) THE FOLLOWING SHALL APPLY:

22 (1) INFORMATION TRANSMITTED, PROVIDED OR COLLECTED PURSUANT  
23 TO THIS SECTION SHALL BE CONFIDENTIAL AND MAY BE USED BY THE  
24 DEPARTMENT SOLELY FOR OFFICIAL PURPOSES RELATING TO THE  
25 ADMINISTRATION AND COLLECTION OF TAXES.

26 (2) INFORMATION TRANSMITTED, PROVIDED OR COLLECTED PURSUANT  
27 TO THIS SECTION BY A FINANCIAL INSTITUTION OR THE INSTITUTION'S  
28 AGENTS AND SENT TO THE DEPARTMENT SHALL NOT CONSTITUTE A BREACH  
29 OF CONFIDENTIALITY AND THIS SECTION SHALL NOT IMPOSE ADDITIONAL  
30 CONFIDENTIALITY REQUIREMENTS UPON A FINANCIAL INSTITUTION.

1       (3) THE DEPARTMENT SHALL ESTABLISH PROCEDURES TO REVIEW, ON  
2 AT LEAST A QUARTERLY BASIS, WHETHER INFORMATION COLLECTED  
3 PURSUANT TO THIS SECTION CONTINUES TO BE NEEDED TO COLLECT  
4 DELINQUENT TAXES AND, UPON A DETERMINATION THAT THE INFORMATION  
5 IS NOT NEEDED, TO REQUIRE THE PERMANENT EXPUNGEMENT OF THE  
6 INFORMATION FROM THE DEPARTMENT'S RECORDS AND THE RECORDS OF ANY  
7 PERSON TO WHICH THE INFORMATION HAS BEEN MADE AVAILABLE,  
8 INCLUDING ANY AUTOMATED DATA EXCHANGE UTILIZED BY THE  
9 DEPARTMENT. WITHIN SEVEN DAYS FOLLOWING THE RECEIPT OF NEW  
10 REPORTS AND INFORMATION UNDER SUBSECTION (A), ALL PREVIOUS  
11 INFORMATION COLLECTED PURSUANT TO THIS SECTION SHALL BE  
12 PERMANENTLY EXPUNGED FROM THE RECORDS OF THE DEPARTMENT AND THE  
13 DEPARTMENT'S REPRESENTATIVES, INCLUDING ANY AUTOMATED DATA  
14 EXCHANGE UTILIZED BY THE DEPARTMENT.

15       (4) ANY EMPLOYE OR AGENT OF THE DEPARTMENT, OR AN AUTOMATED  
16 DATA EXCHANGE WHO DIVULGES OR RETAINS INFORMATION IN A MANNER  
17 NOT PROVIDED IN THIS SUBSECTION, OR LACKS GOOD FAITH FOR A  
18 DISCLOSURE NOT AUTHORIZED UNDER THIS SECTION, COMMITS A  
19 MISDEMEANOR OF THE THIRD DEGREE AND, UPON CONVICTION, SHALL BE  
20 SENTENCED TO PAY A FINE OF UP TO ONE THOUSAND DOLLARS (\$1,000)  
21 PER VIOLATION AND COSTS AND SHALL BE SUBJECT TO A TERM OF  
22 IMPRISONMENT OF NOT MORE THAN ONE YEAR, OR BOTH.

23       (D) A FINANCIAL INSTITUTION SHALL BE ENTITLED TO PAYMENT  
24 FROM THE DEPARTMENT IN THE AMOUNT OF TWO HUNDRED AND FIFTY  
25 DOLLARS (\$250) PER QUARTER FOR CONDUCTING DATA MATCHES PURSUANT  
26 TO THIS SECTION.

27       (E) THE DEPARTMENT, IN CONSULTATION WITH ASSOCIATIONS  
28 REPRESENTING FINANCIAL INSTITUTIONS, SHALL DEVELOP PROPOSED  
29 GUIDELINES AND THE DEPARTMENT SHALL PUBLISH FINAL GUIDELINES FOR  
30 THE DEPARTMENT'S DATA MATCHING PROCESSES AND USES FOR THE

1 COLLECTION OF INFORMATION REQUIRED UNDER THIS SECTION WHICH  
2 SHALL BE CONDUCTED NO MORE FREQUENTLY THAN ON A QUARTERLY BASIS.  
3 THE DEPARTMENT MAY DESIGNATE AN AGENT FOR THE COLLECTION OF  
4 INFORMATION UNDER THIS SECTION FROM THE FINANCIAL INSTITUTIONS,  
5 WHICH MAY INCLUDE AN AUTOMATED DATA EXCHANGE ORGANIZATION WHO  
6 SHALL HAVE THE AUTHORITY TO ENTER INTO AGREEMENTS FOR THE MANNER  
7 OF PROVIDING INFORMATION EXCHANGES AS THE AGENT AND FINANCIAL  
8 INSTITUTION MAY AGREE. THE GUIDELINES SHALL NOT BE SUBJECT TO  
9 REVIEW UNDER SECTION 205 OF THE ACT OF JULY 31, 1968 (P.L.769,  
10 NO.240), REFERRED TO AS THE COMMONWEALTH DOCUMENTS LAW, OR  
11 SECTION 204(B) OF THE ACT OF OCTOBER 15, 1980 (P.L.950, NO.164),  
12 KNOWN AS THE COMMONWEALTH ATTORNEYS ACT, OR THE ACT OF JUNE 25,  
13 1982 (P.L.633, NO.181), KNOWN AS THE REGULATORY REVIEW ACT.

14 (F) PROVIDED THAT AN OBLIGOR HAS NOT ENTERED INTO AND IS IN  
15 COMPLIANCE WITH A DEFERRED PAYMENT PLAN WITH THE DEPARTMENT, THE  
16 DEPARTMENT MAY ORDER THE ATTACHMENT AND SEIZURE OF FUNDS IN AN  
17 OBLIGOR'S ACCOUNT THAT THE DEPARTMENT REASONABLY BELIEVES TO  
18 HOLD PROPERTY SUBJECT TO A TAX LIEN RECORDED IN FAVOR OF THE  
19 COMMONWEALTH FOR TAX, INTEREST, ADDITIONS OR PENALTIES DUE TO  
20 THE COMMONWEALTH. UPON RECEIVING SEIZED FUNDS, THE DEPARTMENT  
21 SHALL APPLY THE AMOUNT SEIZED TO THE OBLIGOR'S TAX LIEN  
22 OBLIGATION.

23 [(B)] (G) (1) IF THE DEPARTMENT HAS A REASONABLE BELIEF  
24 THAT AN OBLIGOR'S ACCOUNT HOLDS PROPERTY SUBJECT TO A TAX LIEN  
25 IN FAVOR OF THE COMMONWEALTH, THE DEPARTMENT MAY ORDER THE  
26 ATTACHMENT OF FUNDS IN THE OBLIGOR'S ACCOUNT BY SENDING A NOTICE  
27 TO THE FINANCIAL INSTITUTION.

28 (2) THE NOTICE GIVEN TO A FINANCIAL INSTITUTION ATTACHING AN  
29 ACCOUNT OF THE OBLIGOR SHALL BE SENT BY AN ELECTRONIC FORMAT OR  
30 ANY OTHER REASONABLE MANNER AS AGREED TO BY THE DEPARTMENT AND

1 THE FINANCIAL INSTITUTION.

2 (3) THE NOTICE SHALL INCLUDE ALL OF THE FOLLOWING:

3 (I) THE NAME OF THE OBLIGOR.

4 (II) THE AMOUNT OF THE COMMONWEALTH'S TAX LIEN, INCLUDING  
5 INTEREST AND PENALTY ACCRUED UP TO FORTY-FIVE DAYS AFTER THE  
6 DATE OF NOTICE.

7 (III) THE CURRENT OR LAST KNOWN ADDRESS OF THE OBLIGOR.

8 (IV) THE SOCIAL SECURITY NUMBER, FEDERAL EMPLOYER  
9 IDENTIFICATION NUMBER OR OTHER TAXPAYER IDENTIFICATION NUMBER OF  
10 THE OBLIGOR.

11 (V) AN ORDER TO IMMEDIATELY ATTACH ONE OR MORE ACCOUNTS HELD  
12 BY THE FINANCIAL INSTITUTION IN THE NAME OF THE OBLIGOR FOR AN  
13 AGGREGATE AMOUNT EQUAL TO THE LESSER OF THE AMOUNTS IN ALL  
14 ACCOUNTS OR THE COMMONWEALTH'S TAX LIEN.

15 [(C)] (H) (1) UPON RECEIPT OF THE NOTICE DESCRIBED IN  
16 SUBSECTION [(B)] (G), THE FINANCIAL INSTITUTION SHALL, BY THE  
17 END OF THE FIFTH BUSINESS DAY FOLLOWING THE DATE OF THE NOTICE,  
18 ATTACH ONE OR MORE OF THE ACCOUNTS OF THE OBLIGOR HELD BY THE  
19 FINANCIAL INSTITUTION FOR AN AGGREGATE AMOUNT EQUAL TO THE  
20 LESSER OF:

21 (I) THE TOTAL OF THE AMOUNTS IN ALL THE ACCOUNTS OF THE  
22 OBLIGOR HELD BY THE FINANCIAL INSTITUTION AS OF THE DATE OF  
23 ATTACHMENT; OR

24 (II) THE AMOUNT STATED IN THE NOTICE.

25 UPON THE ATTACHMENT AND UNTIL THE FINANCIAL INSTITUTION RECEIVES  
26 FURTHER NOTICE FROM THE DEPARTMENT OR ON ORDER OF A COURT, AS  
27 PROVIDED IN THIS SECTION, THE FINANCIAL INSTITUTION MAY NOT  
28 ALLOW ANY ACTIVITY TO REDUCE THE AMOUNTS IN ANY OF THE ACCOUNTS  
29 BELOW THE AMOUNT OF THE ATTACHMENT.

30 (2) WITHIN FIVE DAYS AFTER DATE OF NOTICE TO THE FINANCIAL

1 INSTITUTION DESCRIBED IN SUBSECTION [(B)] (G), THE FINANCIAL  
2 INSTITUTION SHALL INFORM THE DEPARTMENT THAT THE FINANCIAL  
3 INSTITUTION HAS COMPLIED WITH THE ATTACHMENT ORDER AND SHALL  
4 SPECIFY THE AGGREGATE AMOUNT ATTACHED PURSUANT TO THE ORDER.

5 (3) FINANCIAL INSTITUTION FEES FOR COSTS ARE ALLOWABLE AS  
6 FOLLOWS:

7 (I) THE FINANCIAL INSTITUTION MAY ASSESS A REASONABLE  
8 ADMINISTRATIVE FEE AGAINST THE ACCOUNTS OR THE OBLIGOR IN  
9 ADDITION TO THE AMOUNT ATTACHED. AN ADMINISTRATIVE FEE MAY  
10 INCLUDE A FEE PERMITTED TO BE ASSESSED UNDER AN AGREEMENT  
11 BETWEEN THE OBLIGOR AND THE FINANCIAL INSTITUTION IN CONNECTION  
12 WITH THE EARLY WITHDRAWAL OF A CERTIFICATE OF DEPOSIT ATTACHED  
13 UNDER THIS SECTION.

14 (II) IN THE CASE OF INSUFFICIENT FUNDS TO COVER BOTH THE FEE  
15 AUTHORIZED BY SUBPARAGRAPH (I) AND THE AMOUNT IDENTIFIED IN THE  
16 NOTICE UNDER SUBSECTION [(B)] (G), THE FINANCIAL INSTITUTION MAY  
17 FIRST DEDUCT THE FEE FROM THE AMOUNT ATTACHED AND RETAIN IT FROM  
18 THE AMOUNT SEIZED AND FORWARDED TO THE DEPARTMENT AS PROVIDED IN  
19 THIS SECTION.

20 (III) A FINANCIAL INSTITUTION SHALL NOT BE REQUIRED TO  
21 REIMBURSE FEES ASSESSED AGAINST AN ACCOUNT OR AN OBLIGOR AS A  
22 RESULT OF THE DEPARTMENT INSTITUTING AN ACTION UNDER THIS  
23 SECTION OR AS OTHERWISE PERMITTED BY LAW OR AUTHORIZED BY  
24 CONTRACT EVEN IF THERE IS A SUCCESSFUL CHALLENGE OR RELIEF IS  
25 GRANTED UNDER SUBSECTION (J).

26 [(D)] (I) (1) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH  
27 (3), NO LATER THAN FIVE BUSINESS DAYS AFTER THE DATE OF THE  
28 NOTICE IN SUBSECTION [(B) (2)] (G) (2), THE DEPARTMENT SHALL SEND  
29 A NOTICE TO THE OBLIGOR BY FIRST CLASS MAIL TO THE OBLIGOR'S  
30 CURRENT OR LAST KNOWN ADDRESS AND MAY ATTEMPT TO DELIVER

1 PERSONAL NOTICE TO THE OBLIGOR.

2 (2) THE NOTICE SHALL CONTAIN THE FOLLOWING INFORMATION:

3 (I) THE ADDRESS OF THE DEPARTMENT.

4 (II) THE TELEPHONE NUMBER, ADDRESS AND NAME OF A CONTACT  
5 PERSON AT THE DEPARTMENT.

6 (III) THE NAME AND SOCIAL SECURITY NUMBER, FEDERAL EMPLOYER  
7 IDENTIFICATION NUMBER OR OTHER TAXPAYER IDENTIFICATION NUMBER OF  
8 THE OBLIGOR.

9 (IV) THE CURRENT OR LAST KNOWN ADDRESS OF THE OBLIGOR.

10 (V) THE TOTAL AMOUNT OF THE COMMONWEALTH'S TAX LIEN OWED BY  
11 THE OBLIGOR, INCLUDING INTEREST AND PENALTY ACCRUED UP TO FORTY-  
12 FIVE DAYS AFTER THE DATE OF NOTICE.

13 (VI) THE DATE THE NOTICE IS BEING SENT.

14 (VII) A STATEMENT INFORMING THE OBLIGOR THAT THE DEPARTMENT  
15 HAS ORDERED THE FINANCIAL INSTITUTION TO ATTACH THE AMOUNT OF  
16 THE COMMONWEALTH'S TAX LIEN OWED BY THE OBLIGOR FROM ONE OR MORE  
17 OF THE ACCOUNTS OF THE OBLIGOR.

18 (VIII) FOR EACH ACCOUNT OF THE OBLIGOR, THE NAME OF THE  
19 FINANCIAL INSTITUTION THAT HAS BEEN GIVEN NOTICE TO ATTACH  
20 AMOUNTS AS REQUIRED BY THIS SECTION.

21 (IX) A STATEMENT THAT THE ORDER MAY BE CHALLENGED OR RELIEF  
22 FROM THE ORDER REQUESTED IN ACCORDANCE WITH SUBSECTION [(E)]  
23 (J).

24 (X) A STATEMENT INFORMING THE OBLIGOR THAT UNLESS A TIMELY  
25 CHALLENGE IS MADE BY THE OBLIGOR, THE FINANCIAL INSTITUTION OR  
26 AN ACCOUNT HOLDER OF INTEREST UNDER SUBSECTION [(E)] (J), THE  
27 DEPARTMENT SHALL NOTIFY THE FINANCIAL INSTITUTION TO SEIZE THE  
28 AMOUNT ATTACHED BY THE FINANCIAL INSTITUTION AND FORWARD IT TO  
29 THE DEPARTMENT.

30 (3) THE DEPARTMENT SHALL NOT BE REQUIRED TO SEND THE NOTICE



1 DESCRIBED UNDER THIS SUBSECTION IF, PRIOR TO THE TIME THAT THE  
2 NOTICE MUST BE SENT, THE DEPARTMENT AND THE OBLIGOR AGREE TO AN  
3 ARRANGEMENT UNDER WHICH THE OBLIGOR WILL PAY AMOUNTS OWED UNDER  
4 THE COMMONWEALTH'S TAX LIEN.

5 [(E)] (J) (1) AN OBLIGOR, THE FINANCIAL INSTITUTION OR AN  
6 ACCOUNT HOLDER OF INTEREST MAY CHALLENGE THE ACTIONS OF THE  
7 DEPARTMENT UNDER THIS SECTION BY FILING A [MOTION] PETITION WITH  
8 THE COURT OF COMMON PLEAS WITHIN TEN DAYS OF THE DATE OF THE  
9 NOTICE SENT UNDER SUBSECTION [(D)] (I).

10 (2) AN OBLIGOR, THE FINANCIAL INSTITUTION OR AN ACCOUNT  
11 HOLDER OF INTEREST MAY CHALLENGE OR SEEK RELIEF FROM THE ACTIONS  
12 OF THE DEPARTMENT BASED ON:

13 (I) A MISTAKE AS TO ANY OF THE FOLLOWING:

14 (A) THE IDENTITY OF THE OBLIGOR.

15 (B) THE OWNERSHIP OF THE ACCOUNT.

16 (C) THE CONTENTS OF THE ACCOUNT.

17 (D) THE AMOUNT OF THE TAX LIEN OBLIGATION DUE.

18 (II) THE EXCLUSION OF THE ACCOUNT FROM ATTACHMENT UNDER THIS  
19 SECTION;

20 (III) THE FAILURE OF THE DEPARTMENT TO PROPERLY RECORD THE  
21 TAX LIEN UPON WHICH THE ATTACHMENT IS BASED;

22 (IV) THE FAILURE OF THE DEPARTMENT TO SEND NOTICE TO THE  
23 OBLIGOR OF THE ASSESSMENT OR DETERMINATION OF THE TAX, INTEREST,  
24 PENALTIES OR ADDITION TO TAX UPON WHICH THE ATTACHMENT IS BASED;

25 (V) SEVERE ECONOMIC HARDSHIP;

26 (VI) A REQUEST FOR SPOUSAL RELIEF FROM JOINT LIABILITY; OR

27 (VII) ANY OTHER GOOD CAUSE.

28 (3) EXCEPT AS PROVIDED IN PARAGRAPH (2) (IV), AN OBLIGOR, THE  
29 FINANCIAL INSTITUTION OR AN ACCOUNT HOLDER OF INTEREST MAY NOT  
30 CHALLENGE THE ACTIONS OF THE DEPARTMENT BASED ON A MISTAKE OR

1 ERROR IN THE ORIGINAL ASSESSMENT UNDERLYING A TAX LIEN AGAINST  
2 THE OBLIGOR.

3 [(F)] (K) (1) IF A TIMELY CHALLENGE OR REQUEST FOR RELIEF  
4 IS NOT MADE BY THE OBLIGOR, THE FINANCIAL INSTITUTION OR AN  
5 ACCOUNT HOLDER OF INTEREST UNDER SUBSECTION [(E)] (J), THE  
6 DEPARTMENT SHALL DIRECT THE FINANCIAL INSTITUTION TO:

7 (I) SEIZE THE AMOUNT ATTACHED BY THE FINANCIAL INSTITUTION  
8 AND FORWARD IT TO THE DEPARTMENT;

9 (II) REDUCE THE AMOUNT ATTACHED BY THE FINANCIAL INSTITUTION  
10 TO A REVISED AMOUNT AS STATED BY THE DEPARTMENT, SEIZE THE  
11 REVISED AMOUNT AND FORWARD IT TO THE DEPARTMENT AND RELEASE THE  
12 BALANCE OF THE ACCOUNT; OR

13 (III) RELEASE THE AMOUNT ATTACHED BY THE FINANCIAL  
14 INSTITUTION.

15 (2) THE DEPARTMENT MAY DIRECT A FINANCIAL INSTITUTION TO  
16 SEIZE AND FORWARD ATTACHED FUNDS BEFORE THE TIME FOR FILING A  
17 TIMELY CHALLENGE UNDER SUBSECTION [(E)] (J) UPON AGREEMENT AMONG  
18 THE DEPARTMENT, THE OBLIGOR AND, IN CASES WHERE THE DEPARTMENT  
19 IS AWARE OF AN ACCOUNT HOLDER OF INTEREST, THE ACCOUNT HOLDER OF  
20 INTEREST.

21 [(G)] (L) (1) IF A DETERMINATION IS MADE BY THE COURT,  
22 PURSUANT TO A CHALLENGE OR REQUEST FOR RELIEF UNDER SUBSECTION  
23 [(E)] (J), THAT THE ACCOUNT OF THE OBLIGOR SHOULD NOT HAVE BEEN  
24 ATTACHED, THE DEPARTMENT SHALL NOTIFY THE FINANCIAL INSTITUTION,  
25 IN THE MANNER SPECIFIED IN SUBSECTION [(B)(2)] (G)(2), TO  
26 RELEASE THE AMOUNT ATTACHED BY THE FINANCIAL INSTITUTION.

27 (2) IF A DETERMINATION IS MADE BY THE COURT, PURSUANT TO A  
28 CHALLENGE OR REQUEST FOR RELIEF UNDER SUBSECTION [(E)] (J), TO  
29 REDUCE THE AMOUNT ATTACHED BY THE FINANCIAL INSTITUTION, THE  
30 DEPARTMENT SHALL NOTIFY THE FINANCIAL INSTITUTION, IN THE MANNER

1 SPECIFIED IN SUBSECTION [(B) (2)] (G) (2), TO REVISE THE AMOUNT AS  
2 STATED BY THE DEPARTMENT, TO SEIZE AND FORWARD THE REVISED  
3 AMOUNT TO THE DEPARTMENT AND TO RELEASE THE BALANCE OF THE  
4 ACCOUNT ATTACHED BY THE FINANCIAL INSTITUTION.

5 (3) IF A DETERMINATION IS MADE BY THE COURT, PURSUANT TO A  
6 CHALLENGE OR REQUEST FOR RELIEF MADE UNDER SUBSECTION [(E)] (J),  
7 THAT THE ATTACHMENT BY THE FINANCIAL INSTITUTION WAS PROPER, THE  
8 DEPARTMENT SHALL NOTIFY THE FINANCIAL INSTITUTION, IN THE MANNER  
9 SPECIFIED IN SUBSECTION [(B) (2)] (G) (2), TO SEIZE THE AMOUNT  
10 ATTACHED BY THE FINANCIAL INSTITUTION AND FORWARD IT TO THE  
11 DEPARTMENT.

12 [(H) A FINANCIAL INSTITUTION THAT COMPLIES WITH AN ORDER AND  
13 NOTICE FROM THE DEPARTMENT UNDER THIS SECTION SHALL NOT BE  
14 CRIMINALLY OR CIVILLY LIABLE TO ANY PERSON, INCLUDING THE  
15 DEPARTMENT, THE OBLIGOR OR ANY ACCOUNT HOLDER OF INTEREST, FOR  
16 ANY OF THE FOLLOWING:

17 (1) DISCLOSING INFORMATION TO THE DEPARTMENT UNDER THIS  
18 SECTION;

19 (2) ATTACHING AN ACCOUNT AS DIRECTED BY THE DEPARTMENT;

20 (3) SENDING ANY AMOUNT SEIZED TO THE DEPARTMENT;

21 (4) WRONGFUL DISHONOR OR ANY OTHER CLAIM RELATING TO THE  
22 ATTACHMENT AND SEIZURE OF ANY ACCOUNT AS ORDERED BY THE  
23 DEPARTMENT; OR

24 (5) ANY OTHER ACTION TAKEN IN GOOD FAITH TO COMPLY WITH THE  
25 REQUIREMENTS OF THIS SECTION.

26 (I) A FINANCIAL INSTITUTION SHALL NOT BE REQUIRED TO  
27 REIMBURSE FEES ASSESSED AGAINST AN ACCOUNT OR AN OBLIGOR AS A  
28 RESULT OF THE DEPARTMENT INSTITUTING AN ACTION UNDER THIS  
29 SECTION OR AS OTHERWISE PERMITTED BY LAW OR AUTHORIZED BY  
30 CONTRACT EVEN IF THERE IS A SUCCESSFUL CHALLENGE OR RELIEF IS

1 GRANTED UNDER SUBSECTION (E) .

2 (J) (1)] (M) A PERSON, GOVERNMENT AGENCY OR FINANCIAL  
3 INSTITUTION SHALL NOT BE SUBJECT TO ANY CIVIL OR CRIMINAL  
4 LIABILITY FOR PROVIDING, REPORTING OR MATCHING INFORMATION AND  
5 DATA OR ENCUMBERING OR SURRENDERING ASSETS UNDER THIS SECTION.  
6 THE IMMUNITY PROVIDED UNDER THIS SUBSECTION SHALL NOT APPLY TO  
7 ANY PERSON OR AGENT OF A GOVERNMENT AGENCY OR FINANCIAL  
8 INSTITUTION WHO KNOWINGLY SUPPLIES FALSE INFORMATION UNDER THIS  
9 SECTION.

10 (N) THE FOLLOWING SHALL APPLY:

11 (1) THE DEPARTMENT MAY IMPOSE A PENALTY UPON A FINANCIAL  
12 INSTITUTION THAT WILLFULLY FAILS TO COMPLY OR RESPOND TO, OR  
13 REFUSES TO PROCESS WITHOUT REASONABLE CAUSE, A REQUEST BY THE  
14 DEPARTMENT FOR INFORMATION PURSUANT TO SUBSECTION (A) .

15 (2) THE DEPARTMENT SHALL PROVIDE A FINANCIAL INSTITUTION  
16 TWENTY-FIVE DAYS' NOTICE AND A HEARING BEFORE THE BOARD OF  
17 FINANCE AND REVENUE PRIOR TO IMPOSING A PENALTY UNDER PARAGRAPH  
18 (1) . THE PENALTY SHALL BE IN AN AMOUNT EQUAL TO FIFTY DOLLARS  
19 (\$50) FOR EACH RECORD NOT PROVIDED AND THE TOTAL PENALTY IMPOSED  
20 ON ANY FINANCIAL INSTITUTION FOR ALL SUCH FAILURES DURING ANY  
21 CALENDAR YEAR SHALL NOT EXCEED TEN THOUSAND DOLLARS (\$10,000) .

22 (3) IF, UNDER THE PROVISIONS OF THIS SECTION, A FINANCIAL  
23 INSTITUTION FAILS TO ATTACH ACCOUNTS AS REQUIRED IN A TIMELY  
24 MANNER OR FAILS TO FORWARD THE PROPER AMOUNT OF FUNDS ATTACHED  
25 TO THE DEPARTMENT AT THE TIME AND IN THE MANNER REQUIRED BY THIS  
26 SECTION, THE FINANCIAL INSTITUTION MAY BE SUBJECT TO A PENALTY  
27 OF FIVE PER CENT OF THE AMOUNT OF FUNDS WHICH SHOULD HAVE BEEN  
28 ATTACHED OR FORWARDED FOR EACH MONTH OR FRACTION THEREOF FROM  
29 THE DATE THE FUNDS SHOULD HAVE BEEN ATTACHED OR FORWARDED TO THE  
30 DATE THE FUNDS ARE ATTACHED OR FORWARDED. THE TOTAL AMOUNT OF

1 THE PENALTY SHALL NOT EXCEED FIFTY PER CENT OF THE PROPER AMOUNT  
2 OF FUNDS WHICH SHOULD HAVE BEEN ATTACHED OR FORWARDED.

3 ~~[(2)]~~ (4) THE PENALTY IMPOSED BY THIS SECTION SHALL BE  
4 ASSESSED, ENFORCED, ADMINISTERED OR COLLECTED UNDER THE  
5 PROVISIONS OF ARTICLE II.

6 ~~[(K)]~~ (O) THIS SECTION SHALL NOT BE CONSTRUED TO PROHIBIT  
7 THE DEPARTMENT OR ANY OTHER COMMONWEALTH AGENCY FROM REQUESTING  
8 INFORMATION OR COLLECTING OBLIGATIONS DUE FROM AN OBLIGOR IN ANY  
9 OTHER MANNER AUTHORIZED BY LAW.

10 ~~[(L) NO FINANCIAL INSTITUTION MAY BE REQUIRED TO NOTIFY AN~~  
11 ~~OBLIGOR OR AN ACCOUNT HOLDER OF INTEREST OF A REQUEST FOR~~  
12 ~~INFORMATION UNDER THIS SECTION BY THE DEPARTMENT OR A COURT.]~~

13 ~~[(M)]~~ (P) PRIOR TO REQUESTING INFORMATION OR ATTACHING AN  
14 ACCOUNT UNDER THIS SECTION, THE DEPARTMENT SHALL DEVELOP  
15 GUIDELINES:

16 (1) DESCRIBING ITS TAX COLLECTION PROCEDURES;

17 (2) DESCRIBING THE RIGHTS AND REMEDIES AVAILABLE TO  
18 TAXPAYERS;

19 (3) DESCRIBING ACCEPTABLE FORMATS OF INFORMATION REPORTS  
20 BETWEEN THE DEPARTMENT AND FINANCIAL INSTITUTION PURSUANT TO  
21 SUBSECTION (B);

22 (4) DESCRIBING THE MANNER IN WHICH ACCOUNTS MUST BE  
23 DISCLOSED BY THE FINANCIAL INSTITUTION COMPLETING THE REPORTS;

24 ~~[(3)]~~ (5) DISCLOSING THE CIRCUMSTANCES IN WHICH THE  
25 DEPARTMENT MAY ATTACH AN ACCOUNT UNDER THIS SECTION;

26 ~~[(4)]~~ (6) DESCRIBING THE POLICIES REGARDING SPOUSAL RELIEF  
27 AND SEVERE ECONOMIC HARDSHIP RELIEF;

28 ~~[(5)]~~ (7) ADVISING FINANCIAL INSTITUTIONS OF THE REQUIREMENTS  
29 OF THIS SECTION; AND

30 ~~[(6)]~~ (8) DESCRIBING THE DEPARTMENT'S POLICIES AND

1 PROCEDURES USED TO ATTACH AND SEIZE ACCOUNTS UNDER THIS SECTION.

2 (O) ACCOUNTS, FUNDS AND PROPERTY SUBJECT TO ATTACHMENT UNDER  
3 THIS SECTION SHALL NOT INCLUDE THE FOLLOWING:

4 (1) AN ACCOUNT SUBJECT TO A SECURITY INTEREST, CONTROL  
5 AGREEMENT OR PLEDGED SECURITY FOR A LOAN OR OTHER OBLIGATION.

6 (2) MONEY OR PROPERTY DEPOSITED TO AN ACCOUNT AFTER THE TIME  
7 THAT A FINANCIAL INSTITUTION INITIALLY ATTACHES THE ACCOUNT.

8 (3) AN ACCOUNT THAT A FINANCIAL INSTITUTION HAS A PRESENT  
9 RIGHT TO EXERCISE A RIGHT OF SETOFF EITHER UNDER AN AGREEMENT  
10 BETWEEN THE FINANCIAL INSTITUTION AND THE OBLIGOR OR OTHERWISE  
11 UNDER APPLICABLE LAW.

12 (4) AN ACCOUNT THAT HAS AN ACCOUNT HOLDER OF INTEREST NAMED  
13 AS AN OWNER ON THE ACCOUNT.

14 (5) AN ACCOUNT TO WHICH AN OBLIGOR DOES NOT HAVE AN  
15 UNCONDITIONAL RIGHT OF ACCESS.

16 (6) AN ACCOUNT THAT MAY NOT BE ATTACHED UNDER FEDERAL LAW.

17 [(N)] (R) AS USED IN THIS SECTION, THE FOLLOWING WORDS AND  
18 PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS  
19 SUBSECTION:

20 "ACCOUNT." [(1)] ANY OF THE FOLLOWING:

21 [(I)] (1) FUNDS FROM A DEMAND DEPOSIT ACCOUNT, CHECKING  
22 ACCOUNT, NEGOTIABLE ORDER OF WITHDRAWAL ACCOUNT, SAVINGS  
23 ACCOUNT, TIME DEPOSIT ACCOUNT, MONEY MARKET MUTUAL FUND ACCOUNT  
24 OR CERTIFICATE OF DEPOSIT ACCOUNT.

25 [(II)] (2) FUNDS PAID TOWARD THE PURCHASE OF SHARES OR OTHER  
26 INTEREST IN AN ENTITY AS DESCRIBED IN PARAGRAPHS (1) AND (2) OF  
27 THE DEFINITION OF "FINANCIAL INSTITUTION."

28 [(III)] (3) FUNDS OR PROPERTY HELD BY A DEPOSITORY  
29 INSTITUTION AS DESCRIBED IN PARAGRAPH (3) OF THE DEFINITION OF  
30 "FINANCIAL INSTITUTION."

1 [(2) THE TERM SHALL NOT INCLUDE ANY OF THE FOLLOWING:

2 (I) AN ACCOUNT SUBJECT TO A SECURITY INTEREST, CONTROL  
3 AGREEMENT OR PLEDGED SECURITY FOR A LOAN OR OTHER OBLIGATION.

4 (II) FUNDS OR PROPERTY DEPOSITED TO AN ACCOUNT AFTER THE  
5 TIME THAT A FINANCIAL INSTITUTION INITIALLY ATTACHES THE  
6 ACCOUNT.

7 (III) AN ACCOUNT THAT A FINANCIAL INSTITUTION HAS A PRESENT  
8 RIGHT TO EXERCISE A RIGHT OF SETOFF EITHER UNDER AN AGREEMENT  
9 BETWEEN THE FINANCIAL INSTITUTION AND THE OBLIGOR OR OTHERWISE  
10 UNDER APPLICABLE LAW.

11 (IV) AN ACCOUNT THAT HAS AN ACCOUNT HOLDER OF INTEREST NAMED  
12 AS AN OWNER ON THE ACCOUNT.

13 (V) AN ACCOUNT THAT AN OBLIGOR DOES NOT HAVE AN  
14 UNCONDITIONAL RIGHT OF ACCESS.

15 (VI) AN ACCOUNT THAT CAN NOT BE ATTACHED UNDER FEDERAL LAW.]

16 "ACCOUNT HOLDER OF INTEREST." A PERSON, OTHER THAN AN  
17 OBLIGOR OF AN ACCOUNT, WHO ASSERTS AN INTEREST IN AN ACCOUNT  
18 BASED UPON OWNERSHIP, POSSESSION OF A SECURITY INTEREST, LIEN OR  
19 JUDGMENT.

20 "ASSET INFORMATION." ACCOUNT BALANCES AND ACCOUNT  
21 IDENTIFYING INFORMATION PROVIDED BY A REPORT REQUESTED UNDER  
22 SUBSECTION (A).

23 "DEPARTMENT." THE DEPARTMENT OF REVENUE OF THE COMMONWEALTH.

24 "FINANCIAL INSTITUTION." ANY OF THE FOLLOWING:

25 (1) A DEPOSITORY INSTITUTION AS DEFINED IN SECTION 3(C) OF  
26 THE FEDERAL DEPOSIT INSURANCE ACT (64 STAT. 873, 12 U.S.C. §  
27 1813(C)).

28 (2) A FEDERAL CREDIT UNION OR STATE CREDIT UNION AS DEFINED  
29 IN SECTION 1752(1) OF THE FEDERAL CREDIT UNION ACT (48 STAT.  
30 1216, 12 U.S.C. § 1752(1)).

1 (3) A BENEFIT ASSOCIATION, SAFE DEPOSIT COMPANY, MONEY  
2 MARKET MUTUAL FUND OR SIMILAR ENTITY DOING BUSINESS IN THIS  
3 COMMONWEALTH THAT HOLDS PROPERTY OR MAINTAINS ACCOUNTS  
4 REFLECTING PROPERTY BELONGING TO OTHERS.

5 "IDENTIFYING INFORMATION." NAME, RECORD ADDRESS, SOCIAL  
6 SECURITY NUMBER OF AN INDIVIDUAL OR OTHER TAXPAYER  
7 IDENTIFICATION NUMBER.

8 "OBLIGOR." ANY OF THE FOLLOWING:

9 (1) AN ENTITY ENGAGED IN A BUSINESS WHOSE PROPERTY IS  
10 SUBJECT TO A COMMONWEALTH TAX LIEN OR LIENS TOTALING AT LEAST  
11 ONE THOUSAND DOLLARS (\$1,000).

12 (2) AN INDIVIDUAL OPERATING AS A SOLE PROPRIETOR WHOSE  
13 PROPERTY IS SUBJECT TO A COMMONWEALTH TAX LIEN OR LIENS TOTALING  
14 AT LEAST ONE THOUSAND DOLLARS (\$1,000).

15 (3) A SHAREHOLDER, MEMBER OR PARTNER OF A PASS-THROUGH  
16 ENTITY WHOSE PROPERTY IS SUBJECT TO A COMMONWEALTH TAX LIEN OR  
17 LIENS TOTALING AT LEAST ONE THOUSAND DOLLARS (\$1,000).

18 (4) A CORPORATE OFFICER OR OTHER RESPONSIBLE INDIVIDUAL WHO  
19 HAS BEEN ASSESSED PURSUANT TO THE PROVISIONS OF SECTION 225 OR  
20 320 AND WHOSE PROPERTY IS SUBJECT TO A COMMONWEALTH TAX LIEN OR  
21 LIENS TOTALING AT LEAST ONE THOUSAND DOLLARS (\$1,000).

22 "PASS-THROUGH ENTITY." A PARTNERSHIP AS DEFINED IN SECTION  
23 301(N.0) OR A PENNSYLVANIA S CORPORATION AS DEFINED IN SECTION  
24 301(N.1).

25 "TAX LIEN."

26 (1) A LIEN RECORDED AS PROVIDED BY LAW TO REFLECT A FINAL  
27 TAX LIABILITY. A TAX LIEN MAY BE RECORDED ONLY AFTER:

28 (I) AN ASSESSMENT OR SIMILAR DETERMINATION THAT A TAXPAYER  
29 HAS A TAX LIABILITY IS ISSUED BY THE DEPARTMENT;

30 (II) THE ASSESSMENT OR SIMILAR DETERMINATION UNDER



1 SUBPARAGRAPH (I) IS ISSUED IN THE MANNER REQUIRED BY LAW; AND  
2 (III) THE APPEAL RIGHTS TO THE ASSESSMENT OR SIMILAR  
3 DETERMINATION HAVE EXPIRED, THE LIABILITY WAS SUSTAINED THROUGH  
4 THE APPEALS PROCESS OR THE TAXPAYER FAILED TO PROVIDE AN APPEAL  
5 BOND IF REQUIRED TO DO SO BY THE DEPARTMENT AS AUTHORIZED BY  
6 LAW.

7 (2) A TAX LIEN DOES NOT INCLUDE A STATUTORY LIEN THAT HAS  
8 NOT BEEN RECORDED IN ACCORDANCE WITH PARAGRAPH (1).

9 SECTION 3. THE ACT IS AMENDED BY ADDING SECTIONS TO READ:

10 Section 3003.23. ~~Statute of Limitation for~~ Collection of <--  
11 Assessed Taxes.--(a) The following shall apply:

12 (1) For a tax administered by the Department of Revenue,  
13 except under Article XXI, the Department of Revenue may collect  
14 the tax owed if collection commences within ten years of the  
15 date the settlement, determination or assessment of the tax  
16 becomes final. For nonfiled returns, the Department of Revenue  
17 shall induce the filing of a return or settle, determine or  
18 assess the tax liability of a nonfiled tax period within ten  
19 years of the tax return due date. The filing of a tax lien shall  
20 not extend the ten-year period to collect a tax.

21 (2) Paragraph (1) shall not affect the Department of  
22 Revenue's ability to set off tax overpayments by the taxpayer  
23 against any taxes and other obligations owing the Commonwealth  
24 by the taxpayer or to set off tax liabilities owed to the  
25 Commonwealth with moneys owed the taxpayer by the Commonwealth  
26 within the applicable collection period.

27 (b) The following shall apply:

28 (1) The Department of Revenue shall have no time limitation  
29 to collect taxes in the following cases:

30 (i) For trust fund tax liabilities a taxpayer either

1 collected or withheld, as an agent of or in trust for the  
2 Commonwealth, but wilfully failed, grossly neglected or refused  
3 to remit to the Commonwealth notwithstanding whether the  
4 taxpayer filed a return.

5 (ii) If a taxpayer files a false and fraudulent tax return  
6 or report.

7 (iii) If a taxpayer wilfully fails to file a tax return or  
8 report as required by law.

9 (iv) If a taxpayer attempts to evade or defeat a tax.

10 (v) For a tax offense for which a taxpayer has been  
11 criminally charged and convicted in which tax liabilities remain  
12 unpaid.

13 (vi) For liabilities of eligible taxes unknown to the  
14 Department of Revenue that have not been extinguished under  
15 subsection (a) prior to the commencement of the tax amnesty  
16 period of a subsequently enacted or approved tax amnesty program  
17 administered by the Department of Revenue.

18 (2) The collection expiration date shall be tolled for the  
19 time when any of the following events are pending, plus one  
20 year:

21 (i) During a bankruptcy or proceeding during which the  
22 taxpayer's assets are in the control or custody of an  
23 administrative body, court or duly appointed guardian, receiver  
24 or trustee.

25 (ii) The period during which a taxpayer's offer-in-  
26 compromise is under consideration by the Department of Revenue.

27 (iii) The duration of an installment agreement or deferred  
28 payment plan between the taxpayer and the Department of Revenue.

29 (iv) The duration, from commencement through final  
30 determination, of a proceeding which constitutes a tax appeal or

1 which opposes a collection action before an administrative  
2 tribunal or court of law or in which the taxpayer has filed a  
3 lawsuit or brought a cause of action against the Department of  
4 Revenue.

5 (v) The duration of a taxpayer's military service for which  
6 the taxpayer is eligible for and has received a Federal  
7 extension.

8 (vi) For a period of time as the taxpayer and the Department  
9 of Revenue may agree, in writing, to extend the collection  
10 expiration date.

11 (c) As used in this section, the following words and phrases  
12 shall have the meanings given to them in this subsection:

13 "Tax." A tax, interest, addition to tax, penalty, fee and  
14 other cost, including the cost of collection.

15 Section 3003.24. ~~Period of Limitations on Criminal Tax~~ <--  
16 Prosecutions.--(a) A person shall not be prosecuted, tried or  
17 punished for an offense under a tax statute administered by the  
18 Department of Revenue except if prosecution is instituted within  
19 three years after the commission of the offense.

20 (b) If the period under subsection (a) has expired, a  
21 prosecution may be instituted for:

22 (1) An offense a material element of which is either fraud  
23 or a breach of fiduciary obligation within one year after the  
24 discovery of the offense. This paragraph shall not extend the  
25 period of limitation UNDER SUBSECTION (A) otherwise applicable <--  
26 by more than two years.

27 (2) The offense of wilfully attempting to evade or defeat a  
28 tax or the payment of a tax within one year after the discovery  
29 of the offense. This paragraph shall not extend the period of <--  
30 limitation UNDER SUBSECTION (A) otherwise applicable by more <--

1 than three years.

2 (c) In addition to a criminal offense identified in the tax  
3 statutes administered by the Department of Revenue, a person may  
4 be prosecuted for an offense provided for under 18 Pa.C.S.  
5 (relating to crimes and offenses), relating to misconduct under  
6 the tax statutes, if the prosecution is instituted within five  
7 years after the commission of the offense.

8 (d) In addition to the imposition of a fine and imprisonment  
9 and if a taxpayer has been convicted of a tax-related offense  
10 under a statutory provision, the defendant taxpayer shall be  
11 ordered and required to pay the Department of Revenue  
12 restitution of each tax liability for which a conviction has  
13 been entered. The amount of restitution shall be the taxes,  
14 interest and penalties accrued through the date of payment.

15 Section 2 4. The following apply: <--

16 (1) THE ADDITION OF SECTION 204(73) OF THE ACT SHALL <--  
17 APPLY TO THE SALE AT RETAIL OR USE OF CANNED SOFTWARE ON OR  
18 AFTER THE EFFECTIVE DATE OF THIS SECTION.

19 ~~(1)~~ (2) The addition of sections 3003.23 and 3003.24 of <--  
20 the act shall not relieve a person of a tax, interest,  
21 addition to a tax, penalty, fee and other cost payable by the  
22 person on the effective date of this section.

23 ~~(2)~~ (3) If a court of competent jurisdiction holds that <--  
24 a tax, interest, addition to tax, penalty, fee and other cost  
25 or money payable to the Commonwealth, or any officer or  
26 agency of the Commonwealth, cannot be settled, assessed or  
27 collected under the procedure provided by the addition of  
28 sections 3003.23 and 3003.24 of the act, the matters shall  
29 continue to be settled or assessed and collected under the  
30 laws in force prior to the effective date of this section.

1           ~~(3)~~ (4) The following apply to the addition of section <--  
2           3003.23 of the act:

3           (i) For a settlement, determination or assessment  
4           issued before the effective date of this section, the  
5           ten-year collection period shall begin on the effective  
6           date of this section or when the settlement,  
7           determination or assessment becomes final, whichever is  
8           later.

9           (ii) For a tax return due and not filed as of the  
10          effective date of this section, the ten-year ~~statute~~ <--  
11          PERIOD applicable to a nonfiled return shall begin on the <--  
12          effective date of this section.

13          (iii) For a tax return due and not filed ~~before or~~ <--  
14          on AS OF the effective date of this section, the ten-year <--  
15          ~~statute~~ PERIOD applicable to a nonfiled return shall <--  
16          begin on the effective date of this section.

17          ~~(4)~~ (5) A tax lien created prior to January 1, 2021, <--  
18          shall not be impaired, shall remain in full force and effect  
19          and shall retain the priority under the provision imposing  
20          the tax lien, without the necessity of refiling or revival,  
21          until January 1, 2031.

22          Section ~~3~~ 5. This act shall take effect as follows: <--

23          (1) The addition of section 3003.23 of the act shall  
24          take effect January 1, 2021.

25          (2) THE AMENDMENT OF SECTION 3003.22 SHALL TAKE EFFECT <--  
26          IN 60 DAYS.

27          ~~(2)~~ (3) The remainder of this act shall take effect <--  
28          immediately.