

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 299 Session of 2021

INTRODUCED BY PHILLIPS-HILL, BARTOLOTTA, J. WARD, STEFANO,  
K. WARD, PITTMAN, AUMENT, MASTRIANO AND BREWSTER,  
MARCH 4, 2021

REFERRED TO FINANCE, MARCH 4, 2021

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 time  
11 for filing returns.

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

14 Section 1. Section 217 of the act of March 4, 1971 (P.L.6,  
15 No.2), known as the Tax Reform Code of 1971, is amended to read:

16 Section 217. Time for Filing Returns.--(a) Quarterly and  
17 Monthly Returns:

18 (1) For the year in which this article becomes effective and  
19 in each year thereafter until January 1, 2022, a return shall be  
20 filed quarterly by every licensee on or before the twentieth day  
21 of April, July, October and January for the three months ending  
22 the last day of March, June, September and December.

1     (1.1) For the year beginning after December 30, 2021, and in  
2 each year thereafter, a return shall be filed annually by every  
3 licensee whose actual tax liability for the fourth calendar  
4 quarter of the preceding year is less than or equal to one  
5 thousand two hundred dollars (\$1,200).

6     (2) For the year in which this article becomes effective,  
7 and in each year thereafter until January 1, 2022, a return  
8 shall be filed monthly with respect to each month by every  
9 licensee whose actual tax liability for the third calendar  
10 quarter of the preceding year equals or exceeds six hundred  
11 dollars (\$600) and is less than twenty-five thousand dollars  
12 (\$25,000). Such returns shall be filed on or before the  
13 twentieth day of the next succeeding month with respect to which  
14 the return is made. Any licensee required to file monthly  
15 returns hereunder shall be relieved from filing quarterly  
16 returns.

17     (2.1) For the year beginning after December 30, 2021, and in  
18 each year thereafter, a return shall be filed quarterly by every  
19 licensee whose actual tax liability for the fourth calendar  
20 quarter of the preceding year exceeds one thousand two hundred  
21 dollars (\$1,200) and is less than twenty-five thousand dollars  
22 (\$25,000). Such returns shall be filed on or before the  
23 twentieth day of the next succeeding month with respect to which  
24 the return is made. Any licensee required to file monthly  
25 returns hereunder shall be relieved from filing quarterly  
26 returns.

27     (3) With respect to every licensee whose actual tax  
28 liability for the third calendar quarter of the preceding year  
29 equals or exceeds twenty-five thousand dollars (\$25,000) and is  
30 less than one hundred thousand dollars (\$100,000), the licensee

1 shall, on or before the twentieth day of each month, file a  
2 single return consisting of all of the following:

3 (i) Either of the following:

4 (A) An amount equal to fifty per centum of the licensee's  
5 actual tax liability for the same month in the preceding  
6 calendar year if the licensee was a monthly filer or, if the  
7 licensee was a quarterly [or], semi-annual or annual filer,  
8 fifty per centum of the licensee's average actual tax liability  
9 for that tax period in the preceding calendar year. The average  
10 actual tax liability shall be the actual tax liability for the  
11 tax period divided by the number of months in that tax period.  
12 For licensees that were not in business during the same month in  
13 the preceding calendar year or were in business for only a  
14 portion of that month, fifty per centum of the average actual  
15 tax liability for each tax period the licensee has been in  
16 business. If the licensee is filing a tax liability for the  
17 first time with no preceding tax periods, the amount shall be  
18 zero.

19 (B) An amount equal to or greater than fifty per centum of  
20 the licensee's actual tax liability for the same month.

21 (ii) An amount equal to the taxes due for the preceding  
22 month, less any amounts paid in the preceding month as required  
23 by subclause (i).

24 (4) With respect to each month by every licensee whose  
25 actual tax liability for the third calendar quarter of the  
26 preceding year equals or exceeds one hundred thousand dollars  
27 (\$100,000), the licensee shall, on or before the twentieth day  
28 of each month, file a single return consisting of the amounts  
29 under clause (3)(i)(A) and (ii).

30 (5) The amount due under clause (3)(i) or (4) shall be due

1 the same day as the remainder of the preceding month's tax.

2 (6) The department shall determine whether the amounts  
3 reported under clause (3) or (4) shall be remitted as one  
4 combined payment or as two separate payments.

5 (7) The department may require the filing of the returns and  
6 the payments for these types of filers by electronic means  
7 approved by the department.

8 (8) Any licensee filing returns under clause (3) or (4)  
9 shall be relieved of filing quarterly returns.

10 (9) If a licensee required to remit payments under clause  
11 (3) or (4) fails to make a timely payment or makes a payment  
12 which is less than the required amount, the department may, in  
13 addition to any applicable penalties, impose an additional  
14 penalty equal to five per centum of the amount due under clause  
15 (3) or (4) which was not timely paid. The penalty under this  
16 clause shall be determined when the tax return is filed for the  
17 tax period.

18 (b) Annual Returns. For the calendar year 1971, and for each  
19 year thereafter until January 1, 2022, no annual return shall be  
20 filed, except as may be required by rules and regulations of the  
21 department promulgated and published at least sixty days prior  
22 to the end of the year with respect to which the returns are  
23 made. Where such annual returns are required licensees shall not  
24 be required to file such returns prior to the twentieth day of  
25 the year succeeding the year with respect to which the returns  
26 are made.

27 (c) Other Returns. Any person, other than a licensee, liable  
28 to pay to the department any tax under this article, shall file  
29 a return on or before the twentieth day of the month succeeding  
30 the month in which such person becomes liable for the tax.

1 (d) Small Taxpayers. The department, by regulation, may  
2 waive the requirement for the filing of quarterly return in the  
3 case of any licensee whose individual tax collections do not  
4 exceed seventy-five dollars (\$75) per calendar quarter and may  
5 provide for reporting on a less frequent basis in such cases.

6 Section 2. This act shall take effect immediately.