

# DRAFT A

## PREAMBLE

The Department of Revenue and the Treasury Department, under the authority contained in section 9 of The Fiscal Code (72 P.S. § 9), by this notice of proposed rulemaking omitted, amends Chapter 5, Payments by Electronic Funds Transfer (EFT), to read as set forth in Annex A.

Act 87 of 2012 (P.L. \_\_\_\_, No. \_\_\_\_), effective July 2, 2012, permits the Secretary of Revenue and the State Treasurer to jointly promulgate a regulation revising EFT payments for payments equal to or greater than \$10,000. Accordingly, the Department of Revenue and the Treasury Department, under section 204 of the act of July 31, 1968 (CDL) (P.L. 769, No. 240) (45 P.S. § 1204) and the regulation thereunder, 1 Pa. Code § 7.4, find that notice of proposed rulemaking is under the circumstances impracticable and, therefore, may be omitted.

Utilizing the shorter regulatory process will enable the Department of Revenue and the Treasury Department to quickly amend the regulation and provide the public with the revised EFT requirement enacted under Act 87 of 2012.

### Purpose of Regulation

To implement regulations to reflect a statutory change made by the Pennsylvania Legislature that revised payments required under § 5.3 (relating to payments required to be paid by EFT) from

# DRAFT A

"\$20,000 or more" to "\$10,000 or more." Electronic payments offer several advantages over check payments. Payments are received faster and errors in handling and posting of tax payments are reduced.

## Explanation of Regulatory Requirements

The Secretary of Revenue and the State Treasurer jointly adopted this regulation, Chapter 5, relating to payments by electronic funds transfer at 22 Pa.B. 1561 (April 4, 1992).

The Department of Revenue is amending § 5.3 (relating to payments required to be paid by EFT) to add new language at subsection (d) that will explain the lower EFT threshold requirement of \$10,000 beginning January 1, 2013. The remaining subsections are renumbered.

Section 5.5 (relating to taxpayer registration) is reserved. Technology advances and streamlining processes available on the Department of Revenue's website have rendered obsolete the taxpayer registration process.

Section 5.7 (relating to miscellaneous provisions) is amended to reflect a new amount of "\$10,000 or more," as well update the reference to the renumbered section.

## Fiscal Impact

# DRAFT A

The Department of Revenue and the Treasury Department have determined that the regulations will have minimal fiscal impact on the Commonwealth.

## Paperwork

The regulations will not generate substantial paperwork for the public or the Commonwealth.

## Effectiveness/Sunset Date

The regulations will become effective upon publication in the Pennsylvania Bulletin. The regulation is scheduled for review within five years of final publication. No sunset date has been assigned.

## Contact Person

The contact person for an explanation of the regulations is Mary R. Sprunk, Office of Chief Counsel, PA Department of Revenue, P.O. Box 281061, Harrisburg, Pennsylvania 17128-1061.

## Regulatory Review

Under section 5.1(c) of the Regulatory Review Act (71 P.S. § 745.5a(c)), on \_\_\_\_\_, the Department of Revenue and the Treasury Department submitted a copy of the regulations with proposed rulemaking omitted to the Independent Regulatory Review Commission (IRRC) and to the Chairpersons of the House Committee on Finance and the Senate Committee on Finance. On the same date, the regulations were submitted to the Office of

# DRAFT A

Attorney General for review and approval under the Commonwealth Attorneys Act (71 P.S. §§ 732-101 - 732-506). In accordance with section 5.1(j.1) of the Regulatory Review Act (71 P.S. § 745.5a(j.1)), the regulations were deemed approved by the Committees on . IRRC met on , and approved the regulations under section 5.1(e) of the Regulatory Review Act (71 P.S. § 745.5a(e)).

## Findings

The Department of Revenue and the Treasury Department find that the amendment is necessary and appropriate for the administration and enforcement of the authorizing statute. Under section 204 of the CDL, the Department of Revenue and the Treasury Department also find that the proposed rulemaking procedures in sections 201 and 202 of the CDL (45 P.S. §§ 1201 and 1202) are unnecessary because it is in the public interest to expedite this amended regulation.

## Order

Acting under the authorizing statute, the Department of Revenue and the Treasury Department order that:

(a) The regulations of the Department of Revenue, 61 Pa. Code, are amended by amending Chapter 5 to read as set forth in Annex A.

# DRAFT A

(b) The Secretary of the Department of Revenue and the State Treasurer shall submit this order and Annex A to the Office of General Counsel and Office of Attorney General for approval as to form and legality as required by law.

(c) The Secretary of the Department of Revenue and the State Treasurer shall certify this order and Annex A and deposit them with the Legislative Reference Bureau as required by law.

(d) This order shall take effect upon publication in the Pennsylvania Bulletin.

DANIEL MEUSER  
SECRETARY OF REVENUE

ROBERT M. McCORD  
STATE TREASURER

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