

PREAMBLE

The Department of Revenue (Department), under authority contained in section 354 of the Tax Reform Code of 1971 (TRC) (72 P.S. § 7354), proposes amendments to 61 Pa. Code, Chapter 117, Return and Payment of Tax; Chapter 119, Liabilities and Assessment; and Chapter 121, Final Returns, to read as set forth in Annex A.

Purpose of Regulation

This regulation change will clarify the Department's policy on Amended Returns for Pennsylvania Personal Income Tax and replace outdated language. In addition, the regulation will provide clear instructions for taxpayers regarding petitions for refunds.

Explanation of Regulatory Requirements

Amendments to §§ 117.1 and 117.7 (relating to general requirements of a return; time for filing returns and paying tax) are proposed to delete out-of-date language and insert clarifying language.

Section 119.13 (relating to restrictions on refunds) is amended to remove outdated references to the Board of Finance and Revenue and replace with an updated reference to Chapter 7, Board of Appeals. Subsection (b) has been amended with the deletion of minor language and new paragraphs (3) - (5) added for more details on exceptions. Subsection (c), including paragraphs (1) and (2),

is deleted. Paragraph (3) is renumbered to a new Section 119.13a, Refund claim filed by a legal representative or other fiduciary. Paragraph (4) is also renumbered to a new Section 119.13b, Checks in payment of claims.

Section 119.18 (relating to limitations on refund or credit) is amended to remove outdated references to the Board of Finance and Revenue and replace with an updated reference to Chapter 7, Board of Appeals.

Section 121.25 (relating to amended return) is amended to remove outdated language and insert new regulatory language in subsections (b), (e), (f) and (g) which provide uniformity and guidance on amended returns to Pennsylvania taxpayers.

#### Affected Parties

Pennsylvania taxpayers and tax practitioners may be affected by the regulation.

#### Fiscal Impact

The Department has determined that the proposed amendment will have minimal fiscal impact on the Commonwealth.

#### Paperwork

The proposed amendment will not create additional paperwork for the public or the Commonwealth.

#### Effectiveness/Sunset Date

The regulation will become effective upon final 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

Interested persons are invited to submit in writing any comments, suggestions, or objections regarding the proposed amendment to Mary R. Sprunk, Office of Chief Counsel, PA Department of Revenue, P.O. Box 281061, Harrisburg, Pennsylvania 17128-1061, within thirty (30) days after the date of the publication of this notice in the Pennsylvania Bulletin.

Regulatory Review

Under section 5(a) of the Regulatory Review Act (71 P.S. § 745.5(a)), on \_\_\_\_\_ the Department submitted a copy of this proposed amendment to the Independent Regulatory Review Commission (IRRC) and to the Chairpersons of the House Committee on Finance and the Senate Committee on Finance. In addition to submitting the amendment, the Department has provided IRRC and the Committees with a copy of a detailed Regulatory Analysis Form prepared by the Department in compliance with Executive Order 1996-1, "Regulatory Review and Promulgation." A copy of this material is available to the public upon request.

The Committees may, at any time prior to the submittal of the final-form regulation, convey to the agency and the Commission, their comments, recommendations and objections to the proposed regulation. The Independent Regulatory Review Commission may,

within 30 days of the close of the public comment period, submit to the agency and Committees any comments, recommendations and objections to the proposed regulation. The notification shall specify the regulatory review criteria which have not been met by that portion. The Regulatory Review Act specifies detailed procedures for review of objections raised, prior to final publication of the amendments, by the Department, the General Assembly and the Governor.

DANIEL MEUSER  
SECRETARY OF REVENUE

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