

# SALT WATCH

## 2017 Tax Amnesty Program

### Overview:

The Pennsylvania Tax Amnesty Program (“the Program”) was established by Act 84 in 2016. The Amnesty Program period **begins Friday April 21, 2017**. The Program will continue for 60 days and will **end on Monday, June 19, 2017**. All taxes administered by the Pennsylvania Department of Revenue (“DOR”) and owed to Pennsylvania are eligible for the Program. Taxpayers with presence or operations in Pennsylvania should review their records for any potential exposure items and consider participation in the program.

Participants in the program will benefit from waiver of all penalties and lien fees as well as one half of the interest due. Unpaid taxes, penalties and interest from periods subsequent to December 31, 2015 are not eligible for the Program. Taxpayers must also file returns and pay taxes for periods not eligible under the Program (tax periods after December 31, 2015) for their participation in the Program to be approved. While the Tax Amnesty program is available to filers and non-filers alike, non-filers should also consider participation in Pennsylvania’s voluntary disclosure program which allows for a limited lookback period but does not offer the benefit of reduced interest.

The DOR may re-impose all abated penalties and interest as a result of the Amnesty Program if any one of the following occur within two years of the close of the Amnesty Program:

1. The taxpayer becomes delinquent for filing or paying three consecutive periods for semi-monthly, monthly or quarterly taxes (unless a timely filed administrative or judicial appeal has been made); or
2. The taxpayer becomes delinquent and is eight months or more late to file reports or make payments due on an annual basis (unless a timely filed administrative or judicial appeal has been made)

Taxpayers who participate in the Amnesty Program will not be eligible for any future Amnesty Programs.



## 2017 Tax Amnesty Program (continued)

### Participation Requirements:

A participating taxpayer must do the following during the Amnesty period:

1. File an online Amnesty Return;
2. Pay all taxes and one half of all interest due in accordance with the Amnesty Return filed;
3. File complete tax returns for all required tax periods in which the taxpayer had previously not filed a return;
4. File complete amended tax returns for all required tax periods in which the taxpayer underreported tax liability; and
5. File all returns for tax periods not eligible for the Amnesty program.

A taxpayer is disqualified from participating in the Amnesty program if any of the following conditions exist:

1. The taxpayer is currently under criminal investigation for an alleged violation of any tax law;
2. Prior to the Amnesty Period, the taxpayer has been named as a defendant in a criminal complaint alleging a violation of any law imposing a tax administered by the DOR;
3. Taxpayer is a defendant in a pending criminal action or an alleged violation of any law imposing an eligible tax;
4. Taxpayer has a signed voluntary disclosure agreement for periods eligible for the Amnesty; or
5. Taxpayer participated in the 2010 Pennsylvania Tax Amnesty Program.

### For more information, please contact:

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