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## DEPARTMENT OF REVENUE EXTENDS STATE TAX DEADLINES FOR TAXPAYERS IMPACTED BY HURRICANE IRENE, TROPICAL STORM LEE

Secretary of Revenue Dan Meuser announced Sept. 14 that the Department of Revenue will extend certain state tax filing and payment deadlines for business and individual taxpayers directly impacted by Hurricane Irene and Tropical Storm Lee.

In general, Pennsylvania will follow Internal Revenue Service rules outlined in recent news releases (PA-34-2011 and PA-33-2011) that extended federal income tax deadlines to Oct. 31.

"These storms destroyed more than property," Meuser said. "In some cases the winds and flood waters also destroyed the records businesses and individuals need to prepare and file their tax returns.

"Understanding that these storms and flood waters impacted countless businesses and individuals across central and eastern Pennsylvania, and heeding the Governor's call to do everything possible to assist in recovery efforts, the department will work with taxpayers to ensure they have the time they need to meet their tax obligations," Meuser said.

The 2011 Pennsylvania disaster recovery deadline extension generally applies to personal income tax, corporate tax, inheritance tax and liquid fuels and fuels tax filings and payments with due dates somewhere between Aug. 26 and Oct. 30, 2011, for taxpayers in any of the 27 counties identified. Such filings due in this timeframe may now be filed as late as Oct. 31.

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### FAST FACT:

*Tax preparers who prepare at least 50 PA Corporate Tax Reports (RCT-101) for tax years beginning on or after Jan. 1, 2011, are required to file clients' tax reports electronically during calendar years beginning on or after Jan. 1 2012.*

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Pennsylvania counties designated as federal disaster areas, which are eligible for these state tax deadline extensions, include the following: Adams, Bradford, Bucks, Chester, Columbia, Cumberland, Dauphin, Delaware, Lancaster, Lebanon, Lehigh, Luzerne, Lycoming, Monroe, Montgomery, Montour, Northampton, Northumberland, Perry, Philadelphia, Schuylkill, Snyder, Sullivan, Susquehanna, Union, Wyoming and York.

Information regarding the state tax deadline extension can be found on the Revenue website, [www.revenue.state.pa.us](http://www.revenue.state.pa.us), where a "2011 Disaster Recovery Tax Deadline Extensions" link directs visitors to frequently asked questions and a secure, Web-based email system through which taxpayers can submit disaster recovery tax questions.

The department has also established a dedicated toll-free hotline to address inquiries regarding state tax deadline extensions for business and individual

taxpayers directly impacted by Hurricane Irene and Tropical Storm Lee. Taxpayers with questions should call 1-855-749-4853 between 7:30 a.m. and 5 p.m. eastern time. The hotline will be available through Oct. 31.

In addition to extending income tax deadlines, the Department of Revenue has been issuing temporary road permits since August 26 to trucking companies that are assisting with Pennsylvania disaster relief efforts. To date, 40 companies have been authorized 47 permits, which allow the companies to travel into and out of Pennsylvania to provide emergency support to impacted areas.

Department personnel are also staffing Disaster Recovery Centers in Pennsylvania, to help residents and business owners with their recovery from the recent storms and flooding. Disaster recovery information is available at

[www.disasterassistance.gov](http://www.disasterassistance.gov) and 1-800-621-FEMA.

## DEPARTMENT OF REVENUE EMAIL DOMAIN CHANGE

The commonwealth recently added @pa.gov as the primary email domain for all state employees. For example, jsmith@state.pa.us is now jsmith@pa.gov. The email addresses ending in @state.pa.us will continue to function so that emails will never be interrupted. We appreciate your cooperation as we take a small step to increase the usability and consistency of the commonwealth's online communications.

## E-FILE MANDATE FOR PAID THIRD-PARTY TAX PREPARERS FOR CORPORATE TAXES EFFECTIVE JAN. 1, 2012

In an effort to increase the rate of electronic filing, the fastest and most cost-effective way for the Department of Revenue to process tax reports, the department will require paid third-party tax preparers who prepare at least 50 PA Corporate Tax Reports (RCT-101) for tax years beginning on or after Jan. 1, 2011, to file clients' tax reports electronically during calendar years beginning on or after Jan. 1 2012.

In determining if a paid tax preparer prepared at least 50 returns, a third-party preparer must include all Pennsylvania Corporate Tax Reports the third-party preparer, or his or her members or employees prepare and submit to the department. This amount includes all original or amended, full-year or part-year reports to the extent that such report can be e-filed with the department. If a third-party preparer has multiple

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business locations, the combined total of all the reports for all locations are included.

If the tax software of a preparer required to e-file cannot support electronic filing, such software must be acquired. Once a third-party preparer is subject to this filing mandate, the third-party preparer shall continue to be subject to the mandate regardless of how many PA corporate tax reports he or she prepares during the year.

Exceptions to the e-file requirement include the following:

- A paid tax preparer may file a paper report when a taxpayer specifically directs the preparer to do so. This directive must be in written form, signed by the officer of the corporation, and provided to the department upon request.
- A paid tax preparer using tax software that does not support electronic filing of a required attachment to a report may file that attachment in paper form.

- A tax preparer who proves electronic filing would place undue hardship on the preparer may submit a written request for a waiver from the department by Nov. 1 of the preceding calendar year for which the waiver is required. The request must clearly explain why the filing method causes an undue hardship. A request for a waiver shall be mailed to the Department of Revenue, Bureau of Corporation Taxes Director's Office, P.O. Box 280700, Harrisburg, PA 17128-0700.

Third-party tax preparers not subject to the electronic filing requirements include volunteer, unpaid preparers; people who provide only support such as typing; employees of a business who prepare tax reports for other employees and officers of the business; and fiduciaries who prepare reports for the trusts and estates they serve.

## TAXPAYERS ENCOURAGED TO VERIFY CORRECT TAX ACCOUNT NUMBERS WITH THE DEPARTMENT

As the department continues developing the integrated tax system, data cleansing and the accuracy of tax account information becomes paramount.

Taxpayers and tax practitioners are encouraged to carefully review correspondence from the department throughout the next year to ensure the department has accurate employer identification numbers, Social Security numbers, addresses and contact information.

Business taxpayers are encouraged to verify and update account information electronically through e-TIDES. Alternately, trust fund tax taxpayers may use form **REV-1705R**, and corporate taxpayers may change account information using form **REV-854R**.

Additionally, the department will begin reaching out some taxpayers via email, phone and mail to verify account information in coming weeks.

## TAX PROFESSIONAL E-SERVICES CENTER



Tax professionals are encouraged to use the department's Tax Professional e-Services Center for access to clients' tax information.

Visit the department's **Online Customer Service Center** or call 717-787-1392.

## DEPARTMENT REQUESTS CUSTOMER SERVICE FEEDBACK THROUGH ONLINE SURVEY

In the interest of improving customer service so that we may better serve taxpayers, the Department of Revenue has developed an online survey to collect feedback from taxpayers regarding their interactions with Revenue customer service agents. Taxpayers are

encouraged to visit [www.revenue.state.pa.us](http://www.revenue.state.pa.us) and click the link for the customer service survey, which appears at the bottom of the vertical navigation menu on the left-hand side of the screen.

## DEPARTMENT OF REVENUE DESIGNATES ECONOMIC DEVELOPMENT COORDINATOR

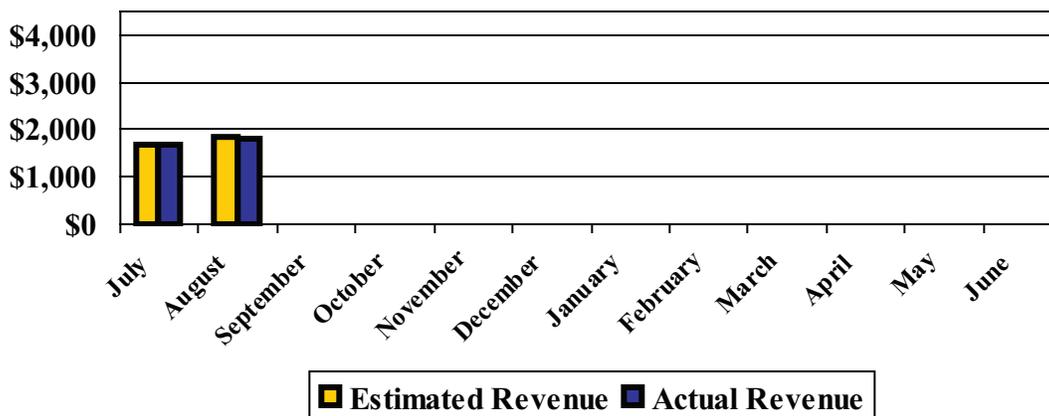
The Department of Revenue recently designated an Economic Development Coordinator to consolidate oversight of the Keystone Opportunity Zone (KOZ) programs, other economic development programs and the restricted tax credit programs, such as the Keystone Special Development Zone Program. The creation of this position will help to ensure greater efficiency, accountability and transparency in these programs, which are funded with tax dollars.

The coordinator will maintain open communications within the Department of Revenue and with other departments and external stakeholders to address economic development policy concerns relating to tax laws, regulations, application issues and other related matters.

To contact the Economic Development Coordinator, email [ra-btftrevkoz@pa.gov](mailto:ra-btftrevkoz@pa.gov) or call 717-772-3896.

## 2011-2012 General Fund Revenues Estimated versus Actual Revenue Collections (in millions)

*Fiscal year 2011-2012 collections through August total \$3.5 billion.*



## REMINDER: FINANCIAL INSTITUTIONS REQUIRED TO SUBMIT DECEDENT ACCOUNT INFORMATION ELECTRONICALLY

Effective Aug. 1, financial institutions must now use the department's Web-based Financial Institution Decedent e-Services Center to access decedent data and submit Notices of Decedent Account Status, REV 1549, to the department electronically. The department will no longer provide decedent data by paper or on compact disks, nor will paper REV-1549 submissions be accepted.

Also, financial institutions may now elect to receive email notices when new decedent listings are available. To begin receiving these emails, the institution should visit the Administrator Financial Institution Access screen, found under the "Administrator Functions," "Administer Access" option. Place a check mark in the box for "Receive Decedent Listing Email" next to the appropriate individual's name.

For further information, please visit our website.

## DEPARTMENT CEASING INHERITANCE EXTENSION REQUEST APPROVAL LETTERS

In order to reduce printing and mailing costs, the department will no longer issue letters confirming approval of inheritance tax deadline extension requests.

Notices denying extensions will be mailed within 30 days of the department's receipt of the deadline extension request.

To check the status of an extension request, taxpayers and practitioners may email

[RA-inheritancetaxext@pa.gov](mailto:RA-inheritancetaxext@pa.gov) or call 717-787-8327.