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RECORD NUMBER OF PENNSYLVANIA TAXPAYERS FILE ELECTRONICALLY

A record 4.5 million 2011 personal income tax returns were filed electronically, the Department of Revenue reported May 17.

The electronically filed returns represent roughly 75 percent of all returns filed to date. The state has received 7 percent more tax returns electronically so far this year compared to the total number of similarly filed returns last year.

"Electronic filing is the most cost-effective filing method, saving the state approximately \$3.48 in processing costs per return," Revenue Secretary Dan Meuser said. "This year's growth in electronic filing resulted in savings of about \$884,000 over last year."

In addition to reducing costs and improving efficiency, electronic filing benefits taxpayers in several other ways. It offers advantages not available to taxpayers filing by paper, including error-reducing automatic calculators; instant confirmation of a successful filing; faster refund processing and direct deposit options.

Taxpayers who use e-file options may have refunds deposited directly into bank accounts or pay balances due electronically. This year, more than 969,000 taxpayers chose to directly deposit refunds; more than 327,000 filers paid taxes through electronic funds transfer; and more than 18,000 individuals paid state taxes by credit card.

For more information on electronic filing options, visit www.revenue.state.pa.us.

FAST FACT:

Slots gaming revenue will provide an average property tax reduction of \$200 for each household this year.

BUDGET SECRETARY CERTIFIES \$782.5 MILLION FOR STATEWIDE PROPERTY TAX RELIEF

In April, Budget Secretary Charles B. Zogby certified that \$782.5 million in gaming revenue will be available for property tax relief in 2012.

The 2006 Taxpayer Relief Act established the Property Tax Relief Fund as a way to use gaming revenue to reduce property taxes for homeowners. The law requires the budget secretary to certify the actual balance in the fund by April 15 of each year and to project gaming revenue coming into the fund in the next six months.

Zogby certified that the balance in the Property Tax Relief Fund was \$405.3 million. Gaming revenue through Oct. 15 is projected to add \$436.2 million to the relief fund, bringing the total amount in the

fund at that time to approximately \$841.5 million, which includes a projected balance of \$59 million in the Property Tax Relief Reserve Fund.

The average statewide property tax reduction for each household is expected to be about \$200 this year. School districts will receive their share of property tax relief in two equal installments in August and October.

Homeowners in 66 counties will receive reductions in the school property tax bills they will receive this summer. In accordance with the Taxpayer Relief Act, Philadelphia's share of funding for broad-based tax relief – \$86.3 million – will be used to reduce the city's wage tax.

The amount of property tax relief in each school district is now available online at the School District Property Tax Relief section of the Department of Education website at www.education.state.pa.us.

Gaming revenue also supports the Property Tax/Rent Rebate Program. Under this program, older and disabled homeowners with incomes up to \$35,000 – and renters with incomes up to \$15,000 – are eligible for rebates of up to \$650. Supplemental rebates for qualifying homeowners can increase rebates to \$975.

More information is available at www.revenue.state.pa.us or by calling 1-888-222-9190.

ALTERNATIVE FUELS TAX BULLETIN CLARIFIES TAX COLLECTION, REPORTING AND PAYMENT OBLIGATIONS

As the popularity of alternatives fuels – including electricity, compressed natural gas, liquefied natural gas and others – continues to grow in Pennsylvania, the department recently issued Motor Fuels Tax Bulletin 2012-01, which reminds all persons who are, or plan to be, engaged in the sale and/or use of alternative fuels in Pennsylvania of the licensing, tax and reporting responsibilities related to alternative fuels.

Motor Fuels Tax Bulletin 2012-01 defines alternative fuels, clarifies who is responsible for reporting and paying alternative fuels tax, identifies 2012 alternative fuel tax rates and identifies who must be licensed to sell and/or use alternative fuels in Pennsylvania.

To review Motor Fuels Tax Bulletin 2012-01, visit www.revenue.state.pa.us.

VOLUNTARY DISCLOSURE PROGRAM PROVIDES PENALTY RELIEF

The Voluntary Disclosure Program provides an opportunity for businesses and individuals who recently became aware of Pennsylvania tax obligations to come forward and meet such obligations voluntarily, without having to pay penalties.

Qualifying taxpayers who recently became aware of outstanding non-corporate tax liabilities such as sales and use tax, employer withholding, personal income tax, etc. will only be responsible for satisfying outstanding tax liabilities for up to three years plus the current year. Penalties for those years will be waived, and additional years' liabilities will be forgiven when taxpayers file appropriate returns and remit payment for all taxes and interest due.

Taxpayers owing corporation tax liabilities (gross receipts tax, corporate net income tax, capital stock/foreign franchise tax, etc.) will only be responsible for satisfying outstanding tax liabilities for up to five years plus the current year. Penalties for those years will be waived, and additional years' liabilities will be forgiven when taxpayers file appropriate returns and remit payment for all taxes and interest due.

The program is only available to those taxpayers who are not registered with the department and for which no investigations or collection actions have begun.

A taxpayer must provide the following information to the department so it may determine the taxpayer's eligibility for the Voluntary Disclosure Program:

- The type(s) of tax due;
- The date(s) the taxpayer's tax liabilities began;
- A detailed description of the taxpayer's activities in Pennsylvania and information on any products sold or services provided;
- An explanation of the taxpayer's failure to file and pay past-due taxes;
- Verification that the taxpayer has not been previously contacted by the department regarding the tax liability; and
- A completed Business Activities Questionnaire (DEO 50), available from the Voluntary Disclosure Office.

To qualify for the Voluntary Disclosure Program, a taxpayer must agree not to petition any reported liabilities. Additionally, the department reserves the right to audit the taxpayer.

For more information on the Voluntary Disclosure Program, visit www.revenue.state.pa.us.

COMMONWEALTH OF PENNSYLVANIA NOW ON FACEBOOK

The Commonwealth of Pennsylvania has designed a new Facebook page to promote agency initiatives and programs and allow residents to learn about all the exciting happenings in state government.

Pennsylvania launched its social networking page earlier this month, to provide a new and innovative way to stay connected to Pennsylvania.

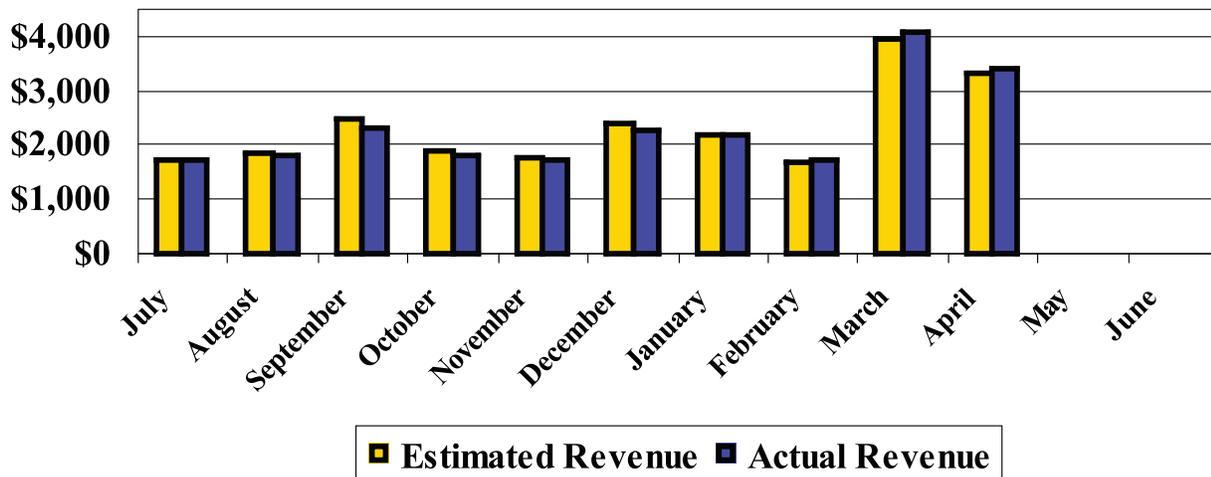
To view the Pennsylvania Facebook page, please visit www.pa.gov and select the Facebook icon on the right. You can view Governor Corbett's Facebook page by selecting the Facebook icon at www.governor.pa.gov.

To connect with Commonwealth of Pennsylvania, sign up for Facebook today.

2011-2012 General Fund Revenues

Estimated versus Actual Revenue Collections (in millions)

Fiscal year 2011-12 collections through April total \$23 billion, which is \$288.4 million, or 1.2 percent, below estimate.



TAX PROFESSIONAL E-SERVICES CENTER



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

Visit the department's [Online Customer Service Center](#) or call 717-787-1392.