



Senate Finance Committee

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BILL SUMMARY

SENATE BILL 1255, PN 1716 (SENATOR BROWNE)

Summary:

Senate Bill 1255 amends the Tax Reform Code of 1971, further providing for time for filing returns and for time of payment. Specifically, Senate bill 1255 would repeal the monthly sales tax remittance requirement that was contained in Act 48 of 2009.

Senate Bill 1255 would replace the semi-monthly sales tax return requirement enacted in Act 48 of 2009 with a single monthly return to include both an estimated tax for the current month and a true-up payment for the prior month. By allowing taxpayers to use the prior-year sales tax figures for the current month estimated tax, they would be able to avoid creating the expensive semi-monthly data retrieval and reporting systems that will otherwise be required in order to comply with Act 48 of 2009.

Current Law:

Section 2 of Act 48 of 2009 provides: “After May 31, 2011, a return shall be filed semi-monthly with respect to each month by every licensee whose total tax reported, or in the event no report is filed, the total tax which should have been reported, for the third calendar quarter of the preceding year equals or exceeds twenty-five thousand dollars (\$25,000). For the period from the first day of the month to the fifteenth day of the month, the returns shall be filed on or before the twenty-fifth day of the month. For the period from the sixteenth day of the month to the last day of the month, the returns shall be filed on or before the tenth day of the next succeeding month with respect to which the return is made. Any licensee required to file semi-monthly returns under this section shall be relieved from filing monthly or quarterly returns.”

Accordingly, Act 48 of 2009 provides that, after May 21, 2011, sales tax returns must be filed semi-monthly with respect to taxpayers whose total tax reported for the third quarter of the preceding year equals or exceeds \$25,000.