

---

THE GENERAL ASSEMBLY OF PENNSYLVANIA

---

HOUSE BILL

No. 1404 Session of  
2023

---

INTRODUCED BY TOPPER, ECKER, GLEIM, GREINER, HAMM, IRVIN,  
LEADBETER, MOUL, OBERLANDER, PICKETT, ROWE, SMITH AND  
STAMBAUGH, JUNE 13, 2023

---

REFERRED TO COMMITTEE ON FINANCE, JUNE 13, 2023

---

AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An  
2 act relating to tax reform and State taxation by codifying  
3 and enumerating certain subjects of taxation and imposing  
4 taxes thereon; providing procedures for the payment,  
5 collection, administration and enforcement thereof; providing  
6 for tax credits in certain cases; conferring powers and  
7 imposing duties upon the Department of Revenue, certain  
8 employers, fiduciaries, individuals, persons, corporations  
9 and other entities; prescribing crimes, offenses and  
10 penalties," in sales and use tax, further providing for time  
11 for filing returns.

12 The General Assembly of the Commonwealth of Pennsylvania  
13 hereby enacts as follows:

14 Section 1. Section 217(a) of the act of March 4, 1971  
15 (P.L.6, No.2), known as the Tax Reform Code of 1971, is amended  
16 to read:

17 Section 217. Time for Filing Returns.--(a) Quarterly and  
18 Monthly Returns:

19 (1) For the year in which this article becomes effective and  
20 in each year thereafter a return shall be filed quarterly by  
21 every licensee on or before the twentieth day of April, July,  
22 October and January for the three months ending the last day of

1 March, June, September and December.

2 (2) For the year in which this article becomes effective,  
3 and in each year thereafter, a return shall be filed monthly  
4 with respect to each month by every licensee whose actual tax  
5 liability for the third calendar quarter of the preceding year  
6 equals or exceeds six hundred dollars (\$600) and is less than  
7 twenty-five thousand dollars (\$25,000). Such returns shall be  
8 filed on or before the twentieth day of the next succeeding  
9 month with respect to which the return is made. Any licensee  
10 required to file monthly returns hereunder shall be relieved  
11 from filing quarterly returns.

12 (3) With respect to every licensee whose actual tax  
13 liability for the third calendar quarter of the preceding year  
14 equals or exceeds twenty-five thousand dollars (\$25,000) and is  
15 less than one hundred thousand dollars (\$100,000), the licensee  
16 shall, on or before the twentieth day of each month, file a  
17 single return consisting of all of the following:

18 (i) [Either] For the period beginning after September 30,  
19 2012, and ending before October 1, 2023, either of the  
20 following:

21 (A) An amount equal to fifty per centum of the licensee's  
22 actual tax liability for the same month in the preceding  
23 calendar year if the licensee was a monthly filer or, if the  
24 licensee was a quarterly or semi-annual filer, fifty per centum  
25 of the licensee's average actual tax liability for that tax  
26 period in the preceding calendar year. The average actual tax  
27 liability shall be the actual tax liability for the tax period  
28 divided by the number of months in that tax period. For  
29 licensees that were not in business during the same month in the  
30 preceding calendar year or were in business for only a portion

1 of that month, fifty per centum of the average actual tax  
2 liability for each tax period the licensee has been in business.  
3 If the licensee is filing a tax liability for the first time  
4 with no preceding tax periods, the amount shall be zero.

5 (B) An amount equal to or greater than fifty per centum of  
6 the licensee's actual tax liability for the same month.

7 (ii) An amount equal to the taxes due for the preceding  
8 month, less any amounts paid in the preceding month as required  
9 by subclause (i).

10 (4) With respect to each month by every licensee whose  
11 actual tax liability for the third calendar quarter of the  
12 preceding year equals or exceeds one hundred thousand dollars  
13 (\$100,000), the licensee shall, on or before the twentieth day  
14 of each month, file a single return consisting of the amounts  
15 under clause (3)(i)(A) and (ii).

16 (5) The amount due under clause (3)(i) or (4) shall be due  
17 the same day as the remainder of the preceding month's tax.

18 (6) The department shall determine whether the amounts  
19 reported under clause (3) or (4) shall be remitted as one  
20 combined payment or as two separate payments.

21 (7) The department may require the filing of the returns and  
22 the payments for these types of filers by electronic means  
23 approved by the department.

24 (8) Any licensee filing returns under clause (3) or (4)  
25 shall be relieved of filing quarterly returns.

26 (9) If a licensee required to remit payments under clause  
27 (3) or (4) fails to make a timely payment or makes a payment  
28 which is less than the required amount, the department may, in  
29 addition to any applicable penalties, impose an additional  
30 penalty equal to five per centum of the amount due under clause

1 (3) or (4) which was not timely paid. The penalty under this  
2 clause shall be determined when the tax return is filed for the  
3 tax period.

4 \* \* \*

5 Section 2. This act shall take effect in 60 days.