

Administrative/Voluntary Compliance/Disclosure: Pennsylvania DOR Extends Voluntary Compliance Program for Retailers with In-State Inventory

Voluntary Compliance Program For Retailers With Inventory in Pennsylvania, Penn. Dept. of Rev. (5/21). The Pennsylvania Department of Revenue (Department) recently announced that it is extending [see *State Tax Matters*, Issue 2021-6, for details on the Department's original announcement about this new program] through to June 8, 2021 its voluntary compliance program for certain retailers with in-state inventory. The program generally is open to any business that has inventory or stores property in Pennsylvania but is not registered to collect and pay applicable Pennsylvania taxes, and it offers "a limited lookback period and penalty relief when the business becomes compliant." Qualifying participants of the program "will not be liable for taxes owed prior to January 1, 2019," and generally may be given "penalty relief for any non-compliance for past due tax returns that were not filed and taxes that were not paid."

URL:
<https://www.revenue.pa.gov/GeneralTaxInformation/Tax%20Types%20and%20Information/TaxObligOnlineRetailers/Pages/Voluntary-Compliance-Program-For-Retailers.aspx>

URL: https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2021/STM/210212_1.html

The Department is asking interested businesses to complete its "Physical Presence Business Activity Questionnaire" (BAQ) to participate; after such completion, the Department explains that it will review the BAQ materials and contact the respective businesses on "how to become compliant." Once a business is registered, has filed any tax returns that were due, and remitted payment of taxes, the Department states that "all penalties from non-compliance will be abated" – conditional upon the business continuing to maintain tax compliance with the Department. Please contact us with any questions.

— Kenn Stoops (Philadelphia)
Managing Director
Deloitte Tax LLP
kstoops@deloitte.com

Louisa Matthews (Pittsburgh)
Managing Director
Deloitte Tax LLP
lmatthews@deloitte.com

Steven Thompson (Philadelphia)
Managing Director
Deloitte Tax LLP
stethompson@deloitte.com

Stacy Ip-Mo (Philadelphia)
Senior Manager
Deloitte Tax LLP
sipmo@deloitte.com

Bob Kovach (Pittsburgh)
Senior Manager
Deloitte Tax LLP
rkovach@deloitte.com

John Damin (Philadelphia)
Senior Manager
Deloitte Tax LLP
jdamin@deloitte.com

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