

# PROPOSED RULEMAKING

## DEPARTMENT OF REVENUE

[ 61 PA. CODE CH. 113 ]

### Withholding of Tax

The Department of Revenue (Department), under section 354 of the Tax Reform Code of 1971 (72 P.S. § 7354), proposes to amend § 113.4 (relating to time and place for filing reconciliation and withholding statements) to read as set forth in Annex A.

#### *Purpose*

The purpose of this proposed rulemaking is to improve the efficiency and accuracy of the Department's tax system by further automating the reporting of tax information.

#### *Explanation of Regulatory Requirements*

Proposed amendments to § 113.4(c) reduce the threshold for the electronic transmission requirement for the annual reconciliation statement from 250 to 10 or more withholding statements (Form W-2). In addition, "magnetic media" is proposed to be deleted and replaced with "electronic transmission." This proposed rulemaking amends the method of filing for certain affected employers, not the information that is required to be reported. Finally, references to specific form numbers in subsections (b) and (c) are proposed to be deleted. Given that form numbers change periodically, the Department is proposing to delete the numbers to avoid confusion and the forms are being referenced in accordance with § 2.12 (relating to forms) of the *Pennsylvania Code & Bulletin Style Manual*.

#### *Affected Parties*

Employers and tax practitioners in this Commonwealth will be affected by this proposed rulemaking.

#### *Fiscal Impact*

The Department determined that this proposed rulemaking will have minimal revenue impact on the Commonwealth. This proposed rulemaking is not designed to be revenue generating. It is an administrative processing change that will lower the Department's operating costs.

#### *Paperwork*

This proposed rulemaking will not create additional paperwork for the public or the Commonwealth. This proposed rulemaking will require certain employers to file their annual reconciliation statements by means of electronic transmission instead of on paper.

#### *Effective Date*

This proposed rulemaking will become effective upon final-form publication in the *Pennsylvania Bulletin*.

#### *Sunset Date*

This regulation is scheduled for review within 5 years of final-form publication. A sunset date has not been assigned.

#### *Public Comments and Contact Person*

Interested persons are invited to submit in writing comments, suggestions or objections regarding this proposed rulemaking to Mary R. Sprunk, Office of Chief Counsel, Department of Revenue, P.O. Box 281061, Harrisburg, PA 17128-1061 within 30 days after the date of the publication of this proposed rulemaking in the *Pennsylvania Bulletin*.

#### *Regulatory Review*

Under section 5(a) of the Regulatory Review Act (71 P.S. § 745.5(a)), on October 18, 2017, the Department submitted a copy of this proposed rulemaking and a copy of a Regulatory Analysis Form to the Independent Regulatory Review Commission (IRRC) and to the Chairpersons of the House Committee on Finance and the Senate Committee on Finance. A copy of this material is available to the public upon request.

Under section 5(g) of the Regulatory Review Act, IRRC may convey comments, recommendations or objections to the proposed rulemaking within 30 days of the close of the public comment period. The comments, recommendations or objections must specify the regulatory review criteria in section 5.2 of the Regulatory Review Act (71 P.S. § 745.5b) which have not been met. The Regulatory Review Act specifies detailed procedures for review prior to final publication of the rulemaking by the Department, the General Assembly and the Governor.

C. DANIEL HASSELL,  
*Secretary*

**Fiscal Note:** 15-459. No fiscal impact; (8) recommends adoption.

### Annex A

#### TITLE 61. REVENUE

#### PART I. DEPARTMENT OF REVENUE

#### Subpart B. GENERAL FUND REVENUES

#### ARTICLE V. PERSONAL INCOME TAX

#### CHAPTER 113. WITHHOLDING OF TAX

#### § 113.4. Time and place for filing reconciliation and withholding statements.

(a) An employer shall [ **submit** ] **furnish** a wage and tax withholding statement to each of his employees on or before January 31 following the year of payment of compensation, or within 30 days from the date of the last payment of compensation if employment or the business is terminated.

(1) An employer shall use the combined Federal-State Wage and Tip Withholding Statement (Form W-2) issued by the Internal Revenue Service or one that conforms thereto with the word "Commonwealth" printed, stamped or typed thereon. The statement [ **shall** ] **must** show the name of employer, address and identification number of the employer; the name, address and Social Security

number of the employee; the total compensation paid during the taxable year; and the total amount of Pennsylvania tax withheld during the taxable year.

(2) The wage and tax withholding statements required in this chapter shall be in addition to a requirement of the Federal or a local government.

(b) [ **A completed Reconciliation Statement (Return Form PA-W3), reconciling Personal Income Tax withheld with related quarterly withholding returns and deposit and employee withholding statements shall be submitted by the following:** ] Every employer who withholds tax under this chapter shall file with the Department an annual withholding reconciliation statement, on a form provided by the Department, along with a copy of all employee wage and tax withholding statements, by the following:

(1) A going business for tax withheld in the prior year, annually, by January 31.

(2) A terminated business within 30 days after the end of the month in which business or payment of compensation ceased.

(c) [ **Reconciliation Statements (Form PA-W3), with accompanying withholding statements (Form W-2) for each employee shall be forwarded by means of first class mail with sufficient postage or electronic or magnetic media as specified in instructions of the Department to the Department. If an employer is required to file 250 or more withholding statements, the reconciliation statement, with accompanying withholding statements shall be forwarded by means of electronic or magnetic media as specified in the instructions of the Department available on its website or at its Harrisburg or district offices.** ] The annual withholding reconciliation statement and accompanying wage tax withholding statements as required under subsection (b) shall be forwarded to the Department by first class mail or electronic transmission as specified in instructions of the Department. If an employer is required to furnish ten or more wage and tax withholding statements under subsection (a), the employer shall transmit electronically to the Department the annual withholding reconciliation statement and accompanying wage and tax withholding statements.

[Pa.B. Doc. No. 17-1773. Filed for public inspection October 27, 2017, 9:00 a.m.]

# ENVIRONMENTAL QUALITY BOARD

[ 25 PA. CODE CH. 93 ]

## Triennial Review of Water Quality Standards; Correction to Public Hearing

An error occurred in the preamble to the proposed rulemaking published at 47 Pa.B. 6609, 6620 (October 21, 2017). The date and address of the public hearing at the Northeast Regional Office are corrected as follows. The remainder of the proposed rulemaking is accurate as published.

### L. Public Hearings

The Board will hold three public hearings for the purpose of accepting comments on this proposed rulemaking. The hearings will be held at 2 p.m. on the following dates:

- December 6, 2017 Department of Environmental Protection  
Northeast Regional Office  
2nd Floor Conference Room  
2 Public Square  
Wilkes-Barre, PA 18701
- December 8, 2017 Department of Environmental Protection  
Southcentral Regional Office  
Susquehanna Conference Room  
909 Elmerton Avenue  
Harrisburg, PA 17110
- December 14, 2017 Department of Environmental Protection  
Southwest Regional Office  
Waterfront Conference Rooms A and B  
400 Waterfront Drive  
Pittsburgh, PA 15222

Persons wishing to present testimony at a hearing are requested to contact the Environmental Quality Board, P.O. Box 8477, Harrisburg, PA 17105-8477, (717) 787-4526 at least 1 week in advance of the hearing to reserve a time to present testimony. Oral testimony is limited to 5 minutes for each witness. Witnesses are requested to submit three written copies of their oral testimony to the hearing chairperson at the hearing. Organizations are limited to designating one witness to present testimony on their behalf at each hearing.

Persons in need of accommodations as provided for in the Americans with Disabilities Act of 1990 should contact the Board at (717) 787-4526 or through the Pennsylvania AT&T Relay Service at (800) 654-5984 (TDD) or (800) 654-5988 (voice users) to discuss how the Board may accommodate their needs.

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