

CHAPTER 117. RETURN AND PAYMENT OF TAX

Sec.	
117.1.	General requirements of a return.
117.2.	Returns of married individuals.
117.3.	Deceased individuals.
117.4.	Minority or other disability.
117.5.	Estates and trusts.
117.6.	Returns made by agents.
117.7.	Time for filing returns and paying tax.
117.8.	Place for filing returns and paying tax.
117.9.	Form of return.
117.9a.	Amended return.
117.10.	Signing returns and other documents.
117.11.	Returns of partnerships.
117.12.	Authenticity of signature.
117.13.	Certification of returns.
117.14.	Extension of time.
117.15.	Records.
117.16.	Identification number.
117.17.	Partnership returns.
117.18.	Return of information as to payment in excess of \$10.

§ 117.1. General requirements of a return.

Every taxpayer having an item of income or loss within the meaning of this article for the taxable year shall file a tax return on or before the date when the Federal income tax return of the taxpayer is due or would be due if the taxpayer were required to file a Federal income tax return under the Internal Revenue Code. Consequently, returns are due on or before April 15 for the calendar year taxpayers and on or before the 15th day of the fourth month following the close of the fiscal year for fiscal year taxpayers.

Authority

The provisions of this § 117.1 amended under section 354 of the Tax Reform Code of 1971 (72 P. S. § 7354).

Source

The provisions of this § 117.1 amended January 25, 2013, effective January 26, 2013, 43 Pa.B. 535. Immediately preceding text appears at serial page (324635).

Cross References

This section cited in 61 Pa. Code § 109.2 (relating to husband and wife); 61 Pa. Code § 117.7 (relating to time for filing returns and paying tax); and 61 Pa. Code § 119.20 (relating to additions).

§ 117.2. Returns of married individuals.

(a) *Liability for tax.* If husband and wife determine their income tax liability on a separate return under this article, their income tax liabilities under this article

shall be separate. If husband and wife determine their income tax liabilities on a joint return under this article, their income tax liabilities shall be joint and several.

(b) *Different residences.* If either husband or wife is a resident and the other is a nonresident, they shall file separate income tax returns under this article, on Form No. PA-40, in which event their income tax liabilities shall be separate unless both elect to determine their joint taxable income as if they were residents. If such election is made, then the income tax liabilities of husband and wife shall be joint and several.

(c) *Separate returns.* If separate returns are filed the following apply:

(1) If the husband and wife file separate income tax returns under this article, and if the sum of credits or payments by either spouse (including withheld and estimated taxes) exceeds the amount of the tax for which such spouse is separately liable, such excess will be applied by the Department to the credit of the other spouse if the sum of such payments by the other spouse is less than the amount of the tax for which such other spouse is separately liable. The excess of any credits due will then be refunded to the taxpayer.

(2) If the sum of the credits or payments made by both spouses with respect to the taxes for which they are separately liable (including withheld and estimated taxes) exceeds the total taxes due, refund of the excess may be made payable to each individually, jointly, or in the event that either is deceased, to the survivor, at the discretion of the Department.

(3) Notwithstanding anything in this subsection to the contrary, either spouse may request any overpayment made by him or her be applied only against his or her separate liability.

§ 117.3. Deceased individuals.

(a) The return of any deceased individual shall be made and filed by his executor, administrator, or other person charged with caring for his property.

(b) If the decedent was married, the surviving spouse and the executor, administrator, or other person charged with caring for his property may not file a joint return. The return of the deceased individual shall cover the period beginning with the taxable year in which his death occurs and ending with his date of death.

Cross References

This section cited in 61 Pa. Code § 101.7 (relating to receipt of income); and 61 Pa. Code § 145.5 (relating to returns by persons other than taxpayer).

§ 117.4. Minority or other disability.

A minor or other taxpayer under a disability shall be subject to the same requirements for making returns of income as are other individuals. The return for an individual who is unable to make a return by reason of minority or other dis-

ability, shall be made and filed by his guardian, committee, fiduciary, or other person charged with the care of his person or property, or by his duly authorized agent.

Cross References

This section cited in 61 Pa. Code § 145.5 (relating to returns by persons other than taxpayer).

§ 117.5. Estates and trusts.

(a) The fiduciary of an estate or trust shall make and file the return and pay the tax on the taxable income of such estate or trust. If two or more fiduciaries are acting jointly, the return may be made and filed by any one of them.

(b) Liability for the payment of tax on the taxable income of an estate attaches to the person of the executor or administrator up to and after his discharge if, prior to distribution and discharge, he had notice of his tax obligations or failed to exercise due diligence in ascertaining whether or not such obligations existed. Liability for the tax also follows the assets of the estate distribution to heirs, devisees, legatees, and distributees who may be required to discharge the amount of the tax due and unpaid to the extent of the distributive shares received by them. The same considerations apply to trusts.

(c) The estate of a minor, incompetent, or other person under a disability, or, in general, of an individual in receivership or bankruptcy shall not be a taxable entity separate from the person for whom the fiduciary is acting, in that respect differing from the estate of a deceased person or of a trust.

§ 117.6. Returns made by agents.

The return of income may be made by an agent if the person liable for the making of the return is unable to make it by reason of illness or continuous absence from this Commonwealth for a period of at least 60 days before the date prescribed by law for making the return. A return may also be made by an agent if the taxpayer requests permission, in writing, of the Department, and the Department determines that good cause exists for permitting the return to be so made. However, assistance in the preparation of the return may be rendered under any circumstances. If a return is made by an agent, it shall be accompanied by the power of attorney, except that an agent holding a valid and subsisting general power of attorney authorizing him to represent his principal in making, executing and filing the income return, may submit a certified copy thereof. The agent, as well as the taxpayer, may incur liability for the penalties provided for erroneous, false or fraudulent returns.

Cross References

This section cited in 61 Pa. Code § 117.10 (relating to signing returns and other documents); and 61 Pa. Code § 145.5 (relating to returns by persons other than taxpayer).

§ 117.7. Time for filing returns and paying tax.

All persons required to make and file returns under § 117.1 (relating to general requirements of a return) shall, without assessment, notice or demand, pay the tax required to be reported as due on a return at the time prescribed in § 117.1 for filing a return, determined without regard to any extension of time for filing the return. Payment of the tax should accompany the return when filed.

Authority

The provisions of this § 117.7 amended under section 354 of the Tax Reform Code of 1971 (72 P. S. § 7354).

Source

The provisions of this § 117.7 amended January 25, 2013, effective January 26, 2013, 43 Pa.B. 535. Immediately preceding text appears at serial page (324637).

§ 117.8. Place for filing returns and paying tax.

All returns should be filed with the Department of Revenue, the Personal Income Tax Bureau, P. O. Box 8111, Harrisburg, Pennsylvania 17129, on or before the respective due date. All payments of tax should be made payable to the Department and mailed to the same address. If a payment of tax is made, the taxpayer should include his name, address, and identifying number on the payment so as to insure proper credit therefor.

§ 117.9. Form of return.

Persons filing returns should use the envelopes and preaddressed prescribed forms furnished to them by the Department. A taxpayer shall not be excused from making a return, however, by the fact that no return form has been furnished to him or the one that was furnished becomes lost or damaged. Taxpayers not supplied with or in possession of the proper form should make application therefor to the Department listing their name, address, and identification number and sending such request to the Department of Revenue, the Personal Income Tax Bureau, Harrisburg, Pennsylvania 17127. Such request should be made in ample time to have their returns prepared, certified, and filed on or before the due date. Each taxpayer should carefully prepare his return and set forth fully and clearly the information required to be included therein. Returns which have not been so prepared will not be accepted as meeting the requirements of this article.

§ 117.9a. Amended return.

If after a taxpayer files his final tax return, facts are discovered or events transpire which would increase the taxable income or tax of the taxpayer or both, it shall be the duty of the taxpayer to file an amended return with the Personal Income Tax Bureau within 30 days from the date of the determination of such increase. The amended return shall indicate the changes made, and a statement

shall be attached setting forth what facts or events gave rise to the need for such amended return. If the amended return indicates additional taxes are owed, a check for such additional amount shall be attached to the amended return. Examples of events causing an increase in income or tax liability include, but are not limited to, the following:

- (1) Deductions for business expenses which are later reimbursed.
- (2) Gains or losses from the sale or exchange of property acquired prior to June 1, 1971, calculated using the June 1, 1971 basis.
- (3) Credits for taxes paid to other states when such tax credits or tax liability are subsequently reduced, for whatever reason.
- (4) Any other increase in any of the eight classes of income.

Source

The provisions of this § 117.9a adopted February 20, 1981, effective June 23, 1979, 11 Pa.B. 726.

§ 117.10. Signing returns and other documents.

(a) *In general.* Each individual, including the fiduciary, shall sign the income tax return required to be made by him, except that the return may be signed for the taxpayer by an agent who is duly authorized in accordance with § 117.6 (relating to returns made by agents) to make such return. Other returns, statements, or documents required under this article or of the regulations thereunder to be made by any person with respect to the tax imposed hereunder shall be signed in accordance with any regulations contained therein, or any instructions issued with respect to such returns, statements, or other documents.

(b) *Return of decedent.* If a return for a decedent is filed by the appointed legal representative, it should be signed by him on the line indicated for taxpayer, as such legal representative. For example, he should sign “John Doe, Administrator of the Estate of Samuel Smith, Deceased,” or “John Doe, Executor of the Last Will and Testament of Samuel Smith, Deceased.” If no legal representative has been appointed when the return of the decedent is due to be filed, the surviving spouse, or other person or persons entitled to receive the property of the decedent should sign his own name as taxpayer for and on behalf of the decedent and indicating his date of death.

§ 117.11. Returns of partnerships.

Returns, statements, and other documents required to be made by partnerships under this article, with respect to the tax imposed shall be signed by any one of the partners. The signature of a partner on a return, statement, or other document made by or for a partnership of which he is a member shall be prima facie evidence that such partner is authorized to sign such return, statement, or other document.

§ 117.12. Authenticity of signature.

The name of an individual signed to a return, statement, or other document shall be prima facie evidence for all purposes that the return, statement, or other document was actually signed by him.

§ 117.13. Certification of returns.

(a) *Persons signing returns.* If a return, declaration, statement, or other document made under the provisions of this article, with respect to any tax imposed is required by this article, or the form and instructions, issued with respect to such return, declaration, statement, or other document, to contain or be certified by a written declaration that it is made under the penalties of perjury; such return, declaration, statement, or other document shall be so certified by the person signing it. Such certification shall also apply to the copies of returns, declarations, statements, or other documents that the statements contained therein are true and that such copy filed is a true and correct copy.

(b) *Persons preparing returns.* The following requirements apply:

(1) *In general.* Except as provided in paragraph (2), if a return, declaration, statement or other document is prepared for a taxpayer by another person for compensation or as an incident to the performance of other services for which such person receives compensation, and the return, declaration, statement or other document requires that it shall contain or be certified by a written declaration that it is prepared under the penalties of perjury, the preparer shall so certify the return, declaration, statement, or other document. A person who renders mere mechanical assistance in the preparation of the return, declaration, statement, or other document as, for example, a stenographer or typist, shall not be considered as preparing the return, declaration, statement, or other document.

(2) *Exception.* The certification required by paragraph (1) shall not be required on the returns, declarations, statements, or other documents which are prepared for any of the following:

- (i) An employee either by his employer or by an employee designated for such purpose by the employer.
- (ii) An employer as a usual incident of the employment of one regularly or continuously employed by such employer.

§ 117.14. Extension of time.

(a) *In general.* The Department is authorized to grant a reasonable extension of time for filing any return, declaration, statement or other document which relates to the tax imposed by this article and which is required under the provisions of this article. However, except in cases of taxpayers who are outside the United States, such extensions of time will not be granted for more than six months. An extension of time for filing income tax returns will not operate to extend the time for payment of the tax or any installment thereof.

(b) *Application for extension of time.* The procedures to follow in applying for an extension of time are the following:

(1) If a taxpayer is granted an extension of time for filing his federal income tax return he will automatically be granted an extension of time for filing his Commonwealth income tax return. The extension period granted by this Commonwealth will be equivalent to the extension period granted by the Internal Revenue Service. A copy of the letter or form granting the federal extension shall accompany the return Form PA-40 of the taxpayer.

(2) If a taxpayer has not been granted an extension for filing his federal income tax return, he may request an extension of time for filing his Commonwealth tax return. This extension will not exceed a period of six months except for a taxpayer who is outside the United States. A taxpayer shall file an application for extension of time to file. Applications should be submitted in sufficient time for the Department to consider and act upon them prior to the regular due date of the return. An application for extension of time to file may

be obtained by writing to the Department of Revenue, Personal Income Tax Bureau, Harrisburg, Pennsylvania 17129.

(c) *Taxpayer unable to sign.* If a taxpayer is unable by reason of illness, absence, or other good cause to sign a request for an extension, any person standing in close personal or business relationship to the taxpayer may sign the request on his behalf and shall be considered as a duly authorized agent for this purpose, if the request sets forth the reasons for a signature other than that of the taxpayer and the relationship existing between the taxpayer and the signer.

(d) *Form of application.* The application for an extension of time for filing a return, statement, or other document may be made in the form of a letter. However, in the case of an individual income tax return, the application for an extension of time for filing shall be made on Form RIT-119. An application for extension of time to file may be obtained by writing to the Department of Revenue, Personal Income Tax Bureau, Harrisburg, Pennsylvania 17129.

§ 117.15. Records.

(a) *In general.* Except as provided in subsection (b), a person subject to tax under this article, or a person required to file a return of information with respect to income, shall keep permanent books of account or records, including inventories, sufficient to establish the amount of gross income, deductions allowable, credits or other matters required to be shown by the person and any return of the tax or information.

(b) *Wage earners.* Individuals whose gross income include salaries, wages or similar compensation for personal services rendered shall be required, with respect to the income, to keep the records to enable the Department to determine the correct amount of income subject to tax. It is not necessary, with respect to the income, that an individual keep the books of account or records required by subsection (a).

(c) *Notice of Department requiring returns, statements or the keeping of records.* The Department may require a person, by notice served upon him, to make returns, render a statement or keep specific records as will enable the Department to determine whether or not the person is liable to tax under this article.

(d) *Retention of records.* The books of records required by this section shall be kept at all times available for inspection by authorized personnel of the Department, and shall be retained so long as the contents thereof may become material in the administration of the tax imposed under this article.

(e) *Form of records.* The records required by this section shall be kept accurately, but no particular form is required for keeping the records. The forms and systems of accounting shall be used as will enable the Department to ascertain whether liability for taxes incurred exists and, if so, the amount thereof.

(f) *Copies of returns, schedules and statements.* A person who is required, by this section or by instructions applicable to any form prescribed, to keep any copy of any return, schedule, statement or other document shall keep the copy as part of his records.

(g) *Records of claimants.* A person (including an employe) who, under this chapter, claims a refund, credit or abatement shall keep a complete and detailed record with respect to the tax, interest, addition to the tax, additional amount or assessable penalty to which the claim relates.

(h) *Records of employes or casual employes.* While not mandatory, except in the case of claims, it is advisable for each employe or casual employe to keep permanent, accurate records showing the name and address of each employer or casual employer for whom he performs services as an employe or casual employe, the dates of beginning and termination of the services, the information with respect to himself which is required by this chapter to be kept by employers or casual employers and the receipts furnished him by an employer or casual employer.

(i) *Place and period for keeping records.* The records required by this article shall be kept, by the person required to keep them, at one or more convenient safe locations accessible to authorized personnel of the Department, and shall at all times be available for inspection by the personnel. Every person required by this article to keep records in respect of a tax, whether or not the person incurs liability for the tax, shall maintain the records for at least 4 years after the due date of the tax for the return period to which the records relate, or the date the tax is paid, whichever is later. The records of claimants shall be maintained for at least 3 years after the date the claim is filed.

Authority

The provisions of this § 117.15 amended under section 354 of the Tax Reform Code of 1971 (72 P. S. § 7354).

Source

The provisions of this § 117.15 amended December 10, 1999, effective December 11, 1999, 29 Pa.B. 6246. Immediately preceding text appears at serial pages (205401) to (205402).

§ 117.16. Identification number.

(a) *Designations.* The identifying number to be used by an individual is his social security number which is called an account number. But the number to be used by an individual engaged in a trade or business and required to file returns for Federal employment tax or Federal excise tax purposes is called an employer identification number. The identifying number for all persons other than individuals is also an employer identification number. Thus, it is possible for an individual to have both an account number and an employer identification number.

(b) *Use of numbers.* Every person required to make a return, statement, or other document with respect to his liability, or to matters relating to or dealing

with his liability, for the tax imposed under this article, shall include his account number or his employer identification number, as the case may be, in any such return, statement, or other document filed. If such person is an individual engaged in a trade or business, he shall include his account number in the return, statement, or other document, and shall also include his employer identification number. A fiduciary or agent making a return, statement, or other document for another person shall include therein the identifying number of such other person but not the identifying number of the person acting as fiduciary or agent. An income tax return or a declaration of estimated income tax filed jointly by a husband and wife should include the identifying numbers of both.

(c) *Number of person to be used if return is made by another.* The following procedures apply if a return is made by another person:

(1) If a return, statement, or other document with respect to any person is required to be made by another person, the account number or the employer identification number, as the case may be, of the person with respect to whom the return, statement, or other document is required to be made, shall be used as follows:

(i) Requested of such person by the person required to make such return, statement, or other document.

(ii) Furnished by such person to the person required to make the return, statement, or other document.

(iii) Included in the return, statement, or other document by the person required to make it.

(2) A request should state the identifying number which is required to be furnished under authority of law. An individual who receives amounts of income for which a return, statement, or other document shall be made by the payer thereof, and which is payable to the trade name of a sole proprietorship operated by him, shall furnish his employer identification number to the payer of such amounts. If such individual is not required to secure an employer identification number, he shall furnish his account number to the payer. If an amount is made payable to a fiduciary or agent for a named or otherwise designated trust, estate, minor, incompetent, or other person, the identifying number of such trust, estate, and the like and not the identifying number of the person acting as fiduciary or agent, shall be included by the payer in the return or statement of information made by him with respect to such payment. In the case of dividends on stock made payable to a person other than the record owner of the stock, the identifying number and name of the record owner shall be included by the payer in the return or statement of information made by him with respect to such dividends.

(d) *Multiple payees.* If an information return or statement is required to be made by any person with respect to a payment made by him to more than one person, the identifying number of only one of such payees is required to be requested of such payees by the payer, furnished to the payer by such payees, and included by the payer (clearly linked with the name of the payee to whom it belongs if the surnames are different) in the return or statement of information made by him with respect to such payment. If the multiple payees are husband and wife, the account number of the husband shall be requested and furnished and shall be included by the payer in the return or statement of information made by him with respect to the payment. If the multiple payees are an adult and a minor, the account number of the adult shall be requested and furnished and shall be included by the payer in the return or statement of information made by him with respect to the payment.

(e) *Applications.* Each person shall use as his account number or employer identification number that number which has been assigned to him and which he uses as a means of identification when filing any returns, statements, or other documents for Federal tax purposes. The following requirements apply:

(1) An application for an identifying number shall be made by every person required under this section to include his identifying number in any return, statement, or other document required to be filed by him or to furnish his identifying number to another person for inclusion in any return, statement, or other document required to be filed by such other person. However, any person who has an identifying number, either an account number or an employer identification number, assigned to him previously shall not make application for another number of the same kind under this section.

(2) An individual needing an account number shall complete an application form which may be obtained from any district director of the Internal Revenue Service or any district office of the Social Security Administration. The application, together with any supplementary statement, shall be prepared in accordance with the form, instructions, and regulations applicable thereto and shall set forth fully and clearly the data therein called for. The application shall be filed in accordance with the instructions on the form. An account number will be assigned to the applicant in due course upon the basis of information reported on the application. A card showing the name and account number of the individual to whom the number has been assigned will be furnished to the individual. In appropriate cases, the Department may require such information as may be necessary to assign an identifying number to any person.

(3) Any person needing an employer identification number may obtain an application from any District Director of the Internal Revenue Service Center or any district office of the Social Security Administration. The application, together with any supplementary statement, shall be prepared in accordance with the form instructions, and regulations applicable thereto, and shall set forth fully and clearly the data therein called for. The application shall be signed by one of the following:

(i) The individual, if the person is an individual.

(ii) A responsible and duly authorized member or officer having knowledge of its affairs, if the person is a partnership or other unincorporated organization.

(iii) The fiduciary, if the person is a trust or estate. The application for an employer identification number should be filed approximately one month in advance of the first required use of the number to permit issuance of the number in time for compliance with such requirement. The application shall be filed in accordance with the instructions on the requisite form. An employer identification number will be assigned to the applicant in due course upon the basis of the information reported on the application.

§ 117.17. Partnership returns.

(a) *In general.* Every partnership having any income derived from sources within this Commonwealth shall make a return for the taxable year setting forth all items of income, loss, and deduction. The return shall state specifically the items of partnership gross income and the deductions allowable and shall include the names and addresses of all the partners and the amount of the distributive shares of income, gain, loss, deduction, or credit allocated to each partner. The return shall be made for the taxable year of the partnership, irrespective of the taxable years of the partners.

(b) *Partnerships with Commonwealth source income.* Every partnership engaged in trade or business, or having income from sources, within this Commonwealth shall file a partnership return in accordance with this section, whether or not its principal place of business is outside of this Commonwealth, and whether or not all of its members are nonresident partners.

(c) *Partnerships having no Commonwealth source income.* If a Commonwealth resident is a partner in a partnership having no Commonwealth source income, he shall file a return with the Department. The return shall state specifically the items of partnership gross income and the deductions allowable therefrom and shall include the names and addresses of all resident partners and the amount of the distributive shares of income, gain, loss, deduction, or credit allocable to each such resident partner.

(d) *Time for filing.* A copy of the Federal partnership information return Form 1065 shall be filed on or before the 15th day of the fourth month following the close of each taxable year of the partnership.

Cross References

This section cited in 61 Pa. Code § 107.6 (relating to tax returns).

§ 117.18. Return of information as to payment in excess of \$10.

(a) A person making a distribution, to a taxpayer, out of a pension or profit sharing plan, other than by reason of death, disability or retirement, shall make an annual information return, to the Department of Revenue, Bureau of Personal Income Tax, with respect to the distribution, to the extent that the distribution exceeds that portion contributed to the plan by the taxpayer.

(1) Information returns shall be filed on or before February 28 of each year for distributions made to a taxpayer in the preceding calendar year.

(2) Separate information returns shall be prepared for each taxpayer receiving a distribution, and the return shall substantially conform to Internal Revenue Service Form 1099R.

(i) The returns shall show the following:

(A) The name, address and identification number of the person making the distribution.

(B) The name, address and Social Security number of the taxpayer receiving the distribution.

(C) The amount or value of the distribution made and the amounts contributed by the employer and by the employee, respectively.

(ii) A copy of the return shall be supplied to the employee.

(3) With prior approval of the Director of the Pennsylvania Personal Income Tax Bureau, a person required to make information returns may be permitted to submit a magnetic tape or computer printed listing in lieu of copies of Form 1099R.

(b) On or before February 28 of each year, a Pennsylvania information return for recipients of dividends and other taxable or nontaxable distributions on shares of stock or beneficial interests shall be made by any of the following:

(1) An investment company making a distribution exceeding \$10 to a taxpayer or other investment company if the investment company making payment received interest exempt from tax under the laws of the Commonwealth but is not a regulated investment company, as defined at 26 U.S.C.A. § 851 (relating to definition of regulated investment company).

(2) A corporation that has an election in effect under 26 U.S.C.A. § 1362 (relating to election; revocation; termination) making a distribution exceeding \$10 to a taxpayer if the corporation is not required to make an information return on REV Form 20-S, "Pennsylvania S Corporation Information Return."

(3) An investment company making a distribution exceeding \$10 to a taxpayer or other investment company if the investment company making payment received interest exempt from State taxation under the laws of the United States.

(4) A regulated investment company, as defined in paragraph (1), making a distribution exceeding \$10 to a taxpayer or other investment company if the regulated investment company making payment received interest on State or local bonds that is taxable under this article.

(5) A corporation, association, business trust or investment company making a distribution exceeding \$10 to a taxpayer if it is not required to make an information return on Federal Form 1099-DIV.

(6) A personal holding company or foreign corporation, each as defined at 26 U.S.C.A. § 7701 (relating to definitions), making a distribution exceeding \$10 to a taxpayer.

(c) *Pennsylvania information return.* The Pennsylvania information return shall be made in one of the following ways:

(1) The Pennsylvania information return may be made on a Pennsylvania Form 99-DIV "Information Return for Recipients of Dividends and Distributions" or other form acceptable to the Department and shall show the following:

(i) The payer's name, address and Federal identification number.

(ii) The recipient's name, address and Federal identification number.

(iii) The amount of dividends, nontaxable distributions, and, in the case of investment companies, Pennsylvania exempt-interest dividends paid.

(2) If a regulated investment company furnishes Federal Form 1099-DIV to a recipient in compliance with Federal Income Tax requirements, the Pennsylvania information return may be made by attaching or providing one of the following:

(i) A separate statement showing the ratio of Pennsylvania exempt-interest dividends paid to total ordinary dividends reported on the Federal form.

(ii) A separate statement showing other information, if the statement and Federal form contain sufficient information to enable distributees to compute the correct amount of Pennsylvania exempt-interest dividends.

(3) If a regulated investment company is not required to furnish Federal Form 1099-DIV, the Pennsylvania information return may be made by separate statement showing the amount of dividends, nontaxable distributions and Pennsylvania exempt-interest dividends paid or containing sufficient information to enable distributees to compute the amount of taxable dividend distributions and any adjustment to basis or taxable gain for the taxable year.

(d) Unless an extension is granted by the Department, on or before February 28 of each calendar year beginning on or after January 1, 1997, an information return shall be furnished to each recipient of distributions who makes a written request therefor or who is one of the following:

(1) A resident individual, estate or trust or other taxpayer.

(2) An investment company.

(e) An investment company, corporation, association, business trust or personal holding company may rely on its business records in determining the identity and place of residence of recipients.

Authority

The provisions of this § 117.18 amended under section 354 of the Tax Reform Code of 1971 (72 P. S. § 7354).

Source

The provisions of this § 117.18 adopted September 27, 1974, 4 Pa.B. 2078; amended March 1, 1996, effective March 2, 1996, 26 Pa.B. 887; amended November 13, 1998, effective November 14, 1998, 28 Pa.B. 5669. Immediately preceding text appears at serial pages (211399) to (211401).

[Next page is 119-1.]

117-14

(249868) No. 290 Jan. 99

Copyright © 2099 Commonwealth of Pennsylvania