

DISCLOSURE STATEMENT OF  
LOCAL TAXPAYERS BILL OF RIGHTS

---

---

It is the obligation of all taxpayers in a local municipality to file all local tax returns and pay all local taxes to which they are subject. However, when Pennsylvania Municipal Service Co. (PAMS), as the duly appointed local tax collector for the municipality and/or school district in which the taxpayer resides, determines that a required return has not been filed, or a tax liability has not been paid, it has certain rights granted by law that set forth how it may enforce a taxpayer's obligations. The Commonwealth of Pennsylvania now has a Local Taxpayers Bill of Rights that provides rights to local taxpayers, and creates obligations for PAMS, so that equity and fairness govern the administration and collection of local taxes.

TAXPAYERS' RIGHTS AND THE OBLIGATIONS OF PAMS DURING AN AUDIT OR ADMINISTRATIVE REVIEW

When determining if the appropriate tax liability has been paid, the rights of a taxpayer and the obligations of PAMS during an audit are as follows:

- PAMS shall prepare a written explanation of the basis for assessment of any tax liability determined during the audit.
- PAMS shall explain the taxpayer's right to appeal the assessment of any tax liability determined during the audit.
- A taxpayer shall have at least 30 calendar days from the mailing date of an initial request for information to respond to such request.
- A taxpayer shall have the right to obtain an extension to reply to an initial request for information for good cause. The request for an extension must be in writing and must be received by PAMS before the end of the initial 30-day response period. (See information provided below).
- PAMS shall take no lawful action against the taxpayer for collection of tax until the expiration of the applicable response period (including extensions).
- PAMS may require a taxpayer to provide copies of the taxpayer's federal individual income tax return if such information is reasonably necessary for the enforcement or collection of a local tax and the information is not available from other sources or from the Department of Revenue.
- A taxpayer has the right to be represented. Notice of representation must be in writing, signed by the taxpayer and must contain a statement allowing the named representative to view and discuss confidential information.
- All overpayments of tax due to the taxpayer shall bear simple interest from the date of overpayment until the date of resolution unless the overpayment is refunded or applied against any other tax, interest or penalty that is due within 75 days.
- A taxpayer may be eligible for the abatement of certain interest and penalties.
- PAMS may, but is not obligated to, enter into a written agreement with a taxpayer to allow the taxpayer to pay his or her tax liability in installments. A taxpayer's eligibility to enter into an installment agreement shall be determined on a case by case basis.
- Each voluntary payment of tax shall be applied in the following order: 1) tax; 2) interest; 3) penalty; and 4) any other fees or charges, unless otherwise directed by the taxpayer on *each* payment.
- All information gathered by PAMS as a result of any audit, return, report, investigation, hearing or verification shall be kept strictly confidential by PAMS.
- An initial request by PAMS regarding the taxpayer's compliance with any eligible tax may only pertain to taxes that are required to be paid or tax returns that are required to be filed no more than three years prior to the mailing date of the initial request. This rule does not apply in the case where PAMS has sufficient information to indicate that the taxpayer failed to file a required return or pay a local tax that was due more than three years prior to the date of the notice.

TAXPAYER APPEAL RIGHTS

Any taxpayer who disagrees with an assessment or determination of a local tax may petition PAMS for a hearing. To obtain a hearing, the taxpayer must: 1) obtain a Petition form from PAMS; 2) fill out and complete the Petition; 3) sign and date the Petition; and 4) timely file a complete and accurate Petition with the PAMS Hearing Officer. [A separate Petition must be filed for **each** type of tax and for **each** tax year.] The PAMS Hearing Officer shall review the case as provided by the taxpayer and shall issue a ruling within 60 days of the date the Petition is received. [Failure of the Hearing Officer to issue a ruling within the 60 day time period will result in the Petition being deemed approved.] If the taxpayer is not satisfied with the decision of the PAMS Hearing Officer, the taxpayer may subsequently submit an appeal to the Court vested with jurisdiction of local tax appeals by or pursuant to Title 42 Pa. Cons. Stat. A Petition is timely filed if it is postmarked by the United States Postal Service on or before the final day on which the Petition is required to be filed. Petitions for reassessment of tax shall be filed within 90 days of the date of the assessment notice.

Petitions should be mailed to:

Hearing Officer  
Pennsylvania Municipal Service Co.  
336 Delaware Avenue  
Oakmont, Pennsylvania 15139

## TAXPAYER PROCEDURES FOR REFUNDS/CREDITS OF OVERPAID TAX

If a taxpayer determines that he or she has paid a local tax to which he or she is not subject, a Petition for refund of the overpaid local tax must be filed with the PAMS Hearing Officer. The PAMS Hearing Officer handles Petitions for refund in the same manner in which it handles Petitions for reassessments, as described above. However, the period that a taxpayer has to file a timely Petition for refund is different. Petitions for refunds must be made within 3 years of the due date for filing the local tax return, as extended, or 1 year after actual payment of the tax, whichever is later. If no local tax return is required, the Petition shall be filed within 3 years after the due date for payment of the local tax or within 1 year after actual payment, whichever is later.

A Petition for refund is timely filed if it is postmarked by the United States Postal Service on or before the final day on which the Petition is required to be filed.

## TAXPAYER PROCEDURES FOR OBTAINING AN EXTENSION

The taxpayer has the right to obtain a reasonable extension of time to reply to an initial request for information for good cause. The extension request must be in writing and must state in detail the reasons why the taxpayer needs additional time to respond. The extension request must be postmarked by the United States Postal Service before the end of the initial 30 day reply period. The taxpayer shall be notified in writing as to whether his or her extension has been approved. All requests for extension should be sent to:

Taxpayer Rights Coordinator  
Pennsylvania Municipal Service Co.  
336 Delaware Avenue  
Oakmont, PA 15139

## TAXPAYER COMPLAINTS

If a taxpayer has a complaint about an action a PAMS representative has taken, the taxpayer may contact the Taxpayer Rights Coordinator, in writing, at the following address:

Taxpayer Rights Coordinator  
Pennsylvania Municipal Service Co.  
336 Delaware Avenue  
Oakmont, Pennsylvania 15139

The Taxpayer Rights Coordinator shall contact the appropriate PAMS personnel and attempt to facilitate a resolution to the complaint.

## ENFORCEMENT PROCEDURES OF PAMS

If a taxpayer has not paid a tax liability determined to be due and the taxpayer has not filed a timely appeal of the liability, PAMS may take the following actions:

- PAMS may contact a delinquent taxpayer and attempt to resolve the liability through payment in full or an installment payment plan. PAMS may retain an attorney to facilitate the collection of delinquent taxes.
- PAMS may file a civil action for collection of delinquent local taxes and may obtain a judgment against the taxpayer. PAMS may thereafter seek the sale of the taxpayer's property to satisfy the judgment.
- PAMS may direct a wage attachment to the employer of a delinquent taxpayer for the payment of delinquent local taxes.
- PAMS may institute a criminal action against a taxpayer, for failure to file a complete and accurate local tax return or for refusal to cooperate during an audit.

BE 97582.4: