

No. 1986-127

AN ACT

HB 2001

Amending the act of April 9, 1929 (P.L.343, No.176), entitled, as amended, "An act relating to the finances of the State government; providing for the settlement, assessment, collection, and lien of taxes, bonus, and all other accounts due the Commonwealth, the collection and recovery of fees and other money or property due or belonging to the Commonwealth, or any agency thereof, including escheated property and the proceeds of its sale, the custody and disbursement or other disposition of funds and securities belonging to or in the possession of the Commonwealth, and the settlement of claims against the Commonwealth, the resettlement of accounts and appeals to the courts, refunds of moneys erroneously paid to the Commonwealth, auditing the accounts of the Commonwealth and all agencies thereof, of all public officers collecting moneys payable to the Commonwealth, or any agency thereof, and all receipts of appropriations from the Commonwealth, authorizing the Commonwealth to issue tax anticipation notes to defray current expenses, implementing the provisions of section 7(a) of Article VIII of the Constitution of Pennsylvania authorizing and restricting the incurring of certain debt and imposing penalties; affecting every department, board, commission, and officer of the State government, every political subdivision of the State, and certain officers of such subdivisions, every person, association, and corporation required to pay, assess, or collect taxes, or to make returns or reports under the laws imposing taxes for State purposes, or to pay license fees or other moneys to the Commonwealth, or any agency thereof, every State depository and every debtor or creditor of the Commonwealth," further providing for the payment of interest on overpaid tax.

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

Section 1. Section 806.1(a)(5) of the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code, amended December 9, 1982 (P.L.1057, No.248), is amended to read:

Section 806.1. Interest on Overpayments.—(a) "Overpayment" shall mean any payment of tax which is determined in the manner provided by law not to be legally due. Simple interest shall be allowed and paid by the Commonwealth upon any overpayment to the Commonwealth of any tax. The interest shall be allowed and paid for the period during which the Commonwealth retained the overpayment, beginning with the date of the overpayment, except that:

* * *

(5) If any overpayment of tax is refunded or credited within **[six (6) months] *seventy-five (75) days*** after the last date prescribed for filing the final return or report of the tax (determined without regard to any extension of time for filing) or, in case the final return or report is filed after the last day, and is refunded or credited within **[six (6) months] *seventy-five (75) days*** after the date the final return or report is filed, no interest shall be allowed on

the overpayment. *For the purpose of this clause, a final return or report shall be deemed to have been filed only if, when it is received by the Department of Revenue, it has been submitted on a permitted form containing (i) the taxpayer's name, address and identifying number and the required signature; and (ii) sufficient required information, either on the permitted form or attachments thereto, to permit the verification of tax liability shown on the return.*

* * *

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

APPROVED—The 18th day of July, A. D. 1986.

DICK THORNBURGH