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**Amnesty:  
Pennsylvania: Dates Announced for 2017 Amnesty Program Offering Potential 100% Penalty Waiver and 50% Interest Waiver; Includes 5% Non-Participation Penalty**

*2017 Pennsylvania Tax Amnesty Program*, Penn. Dept. of Rev. (9/16). Pursuant to recently enacted legislation [*H.B. 1198 (Act 84)*] requiring the Pennsylvania Department of Revenue (Department) to establish a 60-day amnesty program ending no later than June 30, 2017, the Department has announced that such tax amnesty program will run from April 21, 2017 through June 19, 2017. This 2017 tax amnesty program will generally apply to all taxes administered by the Department that are delinquent as of December 31, 2015, whether known or unknown to the Department. Under this program, amnesty will be granted for eligible taxes to qualifying taxpayers, and potentially will permit 100% waiver of the underlying penalties and 50% waiver of the underlying interest. Recently issued Department guidance on this amnesty program explains that participants reporting and paying taxes which are unknown to the Department (i.e., the taxpayer has not filed, not paid, or underreported the state taxes, and has not been contacted by the Department about the taxes) may possibly qualify for a limited filing period. In such cases, only unknown tax delinquencies dating back to January 1, 2011, must be filed and paid before the close of the 2017 tax amnesty period. All non-filed or underreported periods due after December 31, 2015 must be filed by June 19, 2017 to

be approved for tax amnesty. The guidance also explains that individuals, businesses and other entities that participated in Pennsylvania's 1996 tax amnesty program are eligible; however, taxpayers who participated in the 2010 tax amnesty program are ineligible to participate in this upcoming 2017 tax amnesty program.

URL: [http://www.revenue.pa.gov/taxamnesty/Documents/tax\\_amnesty\\_qa.pdf](http://www.revenue.pa.gov/taxamnesty/Documents/tax_amnesty_qa.pdf)

URL: <http://www.legis.state.pa.us/cfdocs/billinfo/billinfo.cfm?year=2015&sind=0&body=H&type=B&bn=1198>

The guidance notes that Pennsylvania's Voluntary Disclosure program will remain active during the 2017 tax amnesty program; accordingly, "taxpayers should consult with their tax preparer to determine if the Voluntary Disclosure program is more appropriate."

Also, note that the tax amnesty law includes a non-participation penalty of 5% of the unpaid tax liability and penalties and interest, which would be levied against a taxpayer subject to an eligible tax if the taxpayer failed to remit an eligible tax due or had an unreported or underreported liability for an eligible tax on or after June 20, 2017.

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## Income/Franchise: New York: Updated FAQs Discusses Inclusion of Foreign Corporation on Combined Report

*Corporate Tax Reform FAQs*, N.Y. Dept. of Tax. & Fin. (updated 9/1/16). The New York Department of Taxation and Finance (Department) has issued updated frequently asked questions (FAQs) intended to further clarify corporate tax reform legislative amendments, many of which took effect for taxable years beginning on or after January 1, 2015. The update includes an explanation regarding whether an alien corporation that conducts a trade or business in New York is taxable under the Article 9-A state business corporation franchise tax, and could be included a combined report in a tax year in which it generates a US "effectively connected" loss. Responding affirmatively, the Department explains that if an alien corporation has income, gain, or loss that is effectively connected with a US trade or business, conducted in New York, it is considered a taxpayer under the state business corporation franchise tax. Also, if an alien corporation has income, gain, or loss that is effectively connected with a US trade or business, it is subject to the requirements of a state combined report.

URL: [https://www.tax.ny.gov/bus/ct/corp\\_tax\\_reform\\_faqs.htm](https://www.tax.ny.gov/bus/ct/corp_tax_reform_faqs.htm)

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## Multistate Tax Alerts

What's new in the States? Our Multistate Tax Alerts highlight selected state tax developments relevant to taxpayers, tax professionals, and other interested persons. Read our more recent alerts below or visit the [archive](#) for ones you may have missed.

*No new alerts were issued this period. Be sure to refer to the archives to ensure that you are up to date on the most recent releases.*

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