



## **News for Immediate Release**

**June 21, 2010**

### **Governor Rendell Calls \$261 Million Collected During Tax Amnesty Program an 'Overwhelming Success'**

Details Expanded Tax Enforcement Efforts

**Harrisburg** – Pennsylvania's first Tax Amnesty program in 14 years generated \$261 million in state back taxes over 54 days, surpassing by \$71 million the \$190 million goal set for the program, Governor Edward G. Rendell said today.

"Our tax amnesty program was an overwhelming success and brought in a total of \$261 million in delinquent taxes," Governor Rendell said. "That means we have collected the \$190 million already included in the current budget; plus we covered the administrative costs of the program and also generated \$55 million in revenue that can be applied to the 2010-11 budget," he said, noting these are preliminary figures until all payments are cleared.

"About 60,000 tax delinquents took advantage of this rare opportunity offered by the state to settle back taxes without paying penalties and only half the interest due. But, let me be clear: each of them paid more than they would have had they paid their taxes on time, as nearly all other Pennsylvania taxpayers manage to do.

"Throughout the tax amnesty program, I warned people and businesses that if they didn't settle their back state taxes now, things would get -- as the ad said -- 'complicated.' Now, it's time to get even tougher on those businesses and individuals who did not pay up.

"Those who duck their tax obligations are breaking the law, and they increase the tax burden for the 97 percent of Pennsylvanians who do the right thing by paying their state taxes fully and on-time."

Governor Rendell noted that an additional 5-percent penalty applies to all tax delinquencies that remained after midnight on June 18, and the Revenue Department is stepping up other enforcement efforts.

"In coming months, Pennsylvania will get even tougher on tax delinquents," the Governor said. "The Department of Revenue will more frequently garnish the wages of people who owe back taxes, hold more corporate officers personally accountable for taxes their businesses owe, issue more citations against businesses operating without sales tax licenses and publish all tax liens online for public review."

Governor Rendell noted that the Revenue Department and the Office of the Attorney General are also working together to streamline the process by which delinquent tax cases are referred by the Department of Revenue to the Attorney General for criminal prosecution and enforcement.

"Tax delinquents had a great opportunity to settle back taxes through Tax Amnesty, and

now it's time to go even harder after those who continue to ignore their tax obligations."

Governor Rendell today called on the legislature to increase the Revenue Department's fiscal year 2010-11 budget by \$2.3 million, to provide for 40 additional enforcement agents dedicated to collection of delinquent taxes. In return, the Revenue Department estimates it could increase delinquent tax collections by \$33.9 million.

Tax Amnesty collections will be finalized in coming weeks. A detailed final report is due to the legislature in December.

**Media contacts:**

Gary Tuma, Governor's Office; 717-783-1116

Stephanie Weyant, Department of Revenue; 717-787-6960

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