

PENNSYLVANIA
NATP
National Association
of Tax Professionals
Celebrating 25 Years
1987 - 2012
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PA-NATP NEWS

Volume 24, Issue 2



Summer 2012

President's Message



Hello PA-NATP,

I hope everyone has been enjoying the beautiful summer weather; however, it is rapidly drawing to a close. The fall is **the time** for activities in PA-NATP and this year is no different. The Chapter is offering many opportunities for you to obtain the required continuing education credits economically. The seminar information, IRS updates & ways to contact Board members to name a few are on the Chapter's website, www.panatptax.com.

This year is the Chapter's 25th anniversary. The Chapter was honored at National Conference in Baltimore in July. We will be having a celebration at our [Annual Meeting & Seminar](#) October 22 & 23, 2012 in Mechanicsburg, PA. The agenda and registration form are on the website. There will be a tour of the capital, great educational classes and a dinner with entertainment. Plan on attending!

September is a busy month for the Chapter. We are co-sponsoring the Working Together Seminar with the IRS on September 20, 2012 at the Regional Learning Alliance Center in Cranberry, PA. The [West Seminar](#) is the next day, September 21, 2012 at the Regional Learning Alliance Center. The agenda and registration form for the West Seminar is on the website.

We will be offering a [Registered Tax Preparer Review Class](#) on September 26, 2012 in Lancaster, PA. This is a course to prepare you for the exam. You must register through National for this class.

The [East Seminar](#) will be November 13, 2012 at the Woodlands Conference Center in Wilkes-Barre, PA. The topics and registration form are on the website.

There are many opportunities for you to become involved in your Chapter. Please consider volunteering on a committee or at a seminar this fall. It's as easy as contacting myself or another Board member to let us know what you're interested in. I look forward to seeing you this fall.

Sincerely,
Justina Tushak, CPA EA
President, PA-NATP

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Late Development - Trouble in Local EIT Land

Submitted by Samuel A. Wingard, editor

According to recent news reports, local earned income tax monies are not being timely distributed to many municipalities and school districts in the state. Central Tax Bureau of PA, the collector for ten counties has experienced significant difficulty implementing the requirements of Act 32, which went into effect at the beginning of 2012, and as a result has not remitted collected taxes to numerous taxing jurisdictions. The problem is so serious for some municipalities that they are being forced to take out loans in order to cover their expenses.

In light of this problem, a number of county tax collection committees are considering or have already moved to terminate their contract with Centax and engage a new collector. According to information released by Berkheimer Tax Administrator, effective immediately, Berkheimer has been appointed the EIT collector for the Carbon Tax Collection District (TCD). Effective Oct. 1, 2012 Berkheimer will assume collection duties for Armstrong, Beaver, Columbia, Elk and Luzerne TCD's.

With the formation of the county based Tax Collection Districts mandated by Act 32, many contracts were let with collectors different from those used in the past. This means businesses and taxpayers in these jurisdictions were already filing their 2012 quarterly and would file their 2012 final returns with a new collector. With Centax's problems forcing more TCD's to change their collector, tax preparers should make doubly certain that they file their clients' returns with the correct collector. The Dept. of Community and Economic Development administers the tax collection program and maintains a list of collectors for all jurisdictions. This list can be accessed at <http://munstatspa.dced.state.pa.us/Registers.aspx> . A word of warning however, an occasional error has been known to occur in their list so if in doubt as to the correct collector, a phone call for verification before filing a return might save some aggravation later on.

2012 Calendar of Events

PA Chapter events in bold type, *National events in italics.*

September 20th	West Working Together Conference Regional Learning Alliance, Cranberry
September 20th September 21st	Board of Directors Meeting West Seminar Regional Learning Alliance, Cranberry
September 26th	Registered Tax Return Preparer Exam Review Course Heritage Hotel, Lancaster
October 22 & 23	Annual Conference & Meeting – 25th Anniversary Park Inn by Radisson, Mechanicsburg
November 5	Registered Tax Return Preparer Exam Review Course Doubletree Monroeville Convention Center, Monroeville
<i>November 6 November 7</i>	<i>Essential 1040 Workshop Beyond the 1040 Workshop Doubletree Monroeville Convention Center, Monroeville</i>
<i>November 7 November 8</i>	<i>Essential 1040 Workshop Beyond the 1040 Workshop Manufacturers & Business Assoc Conf Center, Erie</i>
November 12th November 13th	Board of Directors Meeting East Seminar Woodlands, Wilkes-Barre
<i>November 28 November 29</i>	<i>Essential 1040 Workshop Beyond the 1040 Workshop Wyndham Garden-Philadelphia Airport, Essington</i>
<i>November 28 November 29</i>	<i>Essential 1040 Workshop Beyond the 1040 Workshop Eden Resort Inn, Lancaster</i>
<i>November 30 December 1</i>	<i>Essential 1040 Workshop Beyond the 1040 Workshop Park Inn by Radisson, Mechanicsburg</i>

Due diligence has been used in preparing this publication, however, the possibility of mechanical or human error does exist. Laws, regulations and procedures do change so additional information sources should always be consulted before relying on any information herein contained. Additionally, the facts and circumstances of a particular situation may differ from those presented here. This material is presented with the understanding that this publication is not intended to render legal, accounting or tax advice.

Welcome New Members

May

Tina L Martin	Abbottstown
Susan Camille Marcy	Albion
Gulam Fazel	Allentown
Z Fazel	Allentown
Jules Galarza	Allentown
Jerry Kindrachuk	Allentown
Steven McLeod, EA	Allentown
Julie K. Noggle	Allentown
Carole Harris	Ambler
Mary K Hartman	Apollo
Patsy Esposito	Beaver
Lauri Paxton, PB PTP	Beaver Falls
Bhaven D Shah, EA	Bensalem
Theresa Ryan	Brackney
Nisha Vithalani	Breinigsville
Edward Peter Caine	Bryn Mawr
Alan Graf	Butler
Debra Kuminkoski	Butler
Jeffrey William Cabbage	Canonsburg
John Rutzler	Carlisle
Rita Louise Bealko	Carmichaels
Duane E Leshar	Chambersburg
Tina L Thomas	Chambersburg
Sweta Haria	Chester Springs
Janelle Fox	Clarks Summit
Thomas Allen	Clifton Heights
Tracy M Giles	Cochranton
Lisa Ann Hall	Cogan Station
David Barney Hineman	Conneaut Lake
Donna L Nardo	Coopersburg
Cheryl A Beichner	Coudersport
Scott Noye	Crum Lynne
Deborah Louise DuFour	Curwensville
Jonelle Heany	Douglassville
Gary Arnold	Downingtown
Tobias Houdeshell	Doylestown
Nathan R Pierce, CFP(R)	Dunmore
Vicki M Davis	Easton
Rosalie De Benedetto	Easton
Diane Wallo, CPA	Easton
Julia J Kreiner	Elizabethtown
Frederick Hatch	Elkland

May cont'd

Bonnie Sue Mauk	Ellwood City
Jean Shank	Ephrata
Brian Graves	Factoryville
Jeffrey A Jones, EA	Fairless Hills
Natalia Svedova	Feasterville Trevoise
Diane M Young	Felton
Marion Florence Devlin	Folsom
Lora J Yanagawa, CPA	Fort Washington
Bonnie Melton	Forty Fort
Dennis A Biega	Freedom
David Green, EA	Gettysburg
Gregg Anthony Amicon	Glenmoore
Laurie Adatepe	Glenshaw
Thomas L Gaertner	Glenshaw
Johnetta Lorenz-Shields	Graysville
Edward Joseph DeFlorio	Greensburg
Joseph Alsberry	Harrisburg
Eula McPherson	Haverford
Debra Pulkkinen	Hawley
Daniel Steber	Hazleton
Valerie J Widdoss Novack	Henryville
Margaret Demauro	Holland
Amanda Tennis, EA	Hughesville
Toni L Procida	Jeannette
Michael L Schwartz, RFC, CWS, CFS	Jenkintown
Richard Marcel Smith	Johnsonburg
Dean Coyle	Johnstown
Kristine Bartholetti, CPA	Kennett Square
Sergio Carmona, RTRP	Kennett Square
Nicholas Pizzola	Langhorne
Megan Gerhart	Lansdale
John Fausnacht	Lititz
Tracy Loose	Lititz
Donald L Stahley	Lititz
Simon Paskin, FFA FFTA	Manheim
Marian Kerchusky	Mc Alisterville
Arlene Burgess	Mcadoo
Rian Nemeroff	Meadowbrook
William D Dixon	Mercer
Susan E Guiler	Mercer
Esther Zrile	Mercer
Earl Edwards, CPA	Milford

New Members cont'd

May cont'd

Nigel Jones	Milford
Kristi Parker, EA	Monaca
Alexander Hartmann	Montoursville
Dorothy Hilliard	Montoursville
David Graham Momeyer, CPA	Murrysville
Dewey L Miller	Myerstown
Brenda Theal	New Cumberland
Clifford Funk	New Hope
Brad Messner	New Stanton
Jessica R Lanier, EA, ChFC	Norristown
Nancy Norris	North East
Jane C Gross, EA	Oil City
Lisa Nemeth	Palmerton
Khristina Barnes	Philadelphia
Luis G Castillo	Philadelphia
Laurence E Chamberlain	Philadelphia
Ronald Covington	Philadelphia
Michael Hope	Philadelphia
Edward Jenkins	Philadelphia
Michele Yvonne Kelly, MST	Philadelphia
Claire Lane	Philadelphia
C Thomas Maniaci, EA	Philadelphia
Alicja Nalewajek	Philadelphia
Melantha K Paige	Philadelphia
Mahmoud Samaoui	Philadelphia
Ja'Net A Spoerlein	Philadelphia
Jovon Stewart	Philadelphia
Paul Dunlap	Philipsburg
Stephen Shlyen, CPA	Pipersville
John Bosley	Pittsburgh
Teresa R Coyne	Pittsburgh
Daphne Curtis	Pittsburgh
William Feldman	Pittsburgh
Marian Hershman	Pittsburgh
Herbert Kaufman	Pittsburgh
Floyd E McElhaney, CPA	Pittsburgh
Diane R Miller	Pittsburgh
Douglas Miller	Pittsburgh
Robert H Minsterman, Jr	Pittsburgh
Anita Malinda Pleasant	Pittsburgh
William Teitz	Pittsburgh
Joy Daubert	Pittston

May cont'd

Sherry A Keiper	Pocono Pines
Louis Jameel Kirby	Reading
Karen Metzger	Reading
Mary Lynn Lemmon	Rochester Mills
Barry Eugene Oliver, CPA	Sciota
Debbie Lee Heiple	Somerset
Paula A Timlin	Stoneboro
Katherine Elizabeth Kempa	Susquehanna
John Kidd	Telford
Sandra Snyder	Turbotville
Tracy R Tarr	Uniontown
Keisha Brown	Verona
John N Irwin	Villanova
Jeffrey Fine	Washington
Kevin Wills	Wayne
Belinda M Frost	Wellsboro
Joseph H Martini	West Chester
Bryan Struckman, CPA	West Lawn
James B Richard	Wilksburg
Craig Buttacavoli	Womelsdorf
John Richard LopesII	York
Jan P Wolgamuth, CPA	York
BL Shreckengost	Zelienople

June

Rachel Holton	Allentown
Keith Griffie	Carlisle
B Eugene Hollenbaugh	Duncannon
Bennett Lee Hoover	Garrett
Michelle Gibbons, CPA	Lancaster
Robert Edward Coleman	Mohnton
Sam Spataro	Natrona Heights
Joshua Vankirk	New Galilee
Patricia Guise	New Oxford
Diane Benson	Philadelphia
Lidia Patricia McGettigan	Philadelphia
Joan Speck	Philadelphia
Jacqueline Stroman	Philadelphia
Roosevelt Norfleet	Pittsburgh
Ganna Mislivets	Plumsteadville
Anne M Kelley	Ridley Park
Kurt A Peterson	Yardley
Wilma Ann Skelton	York

New Members cont'd

July			
Michele Kohler Barry W Swope J. Michael Melbert Christine Deegan Raul A Jimenez	Bensalem Carlisle E. Petersburg Pottsville Saylorsburg	Barbara I Snyder Barbara Weiss Marion Harold Dorrah Brian Lenker	Warren Center Williamsport Wyncote York

Help the Chapter & Help Yourself

Be a Volunteer

The Chapter is always in need of volunteers to serve on its committees. Volunteers benefit the Chapter by bringing in new skills and fresh ideas. The volunteer benefits by not only establishing contacts with people and businesses that can be helpful in their own business but also from a sense of satisfaction in helping to accomplish the goals of the Chapter. Please contact Justina Tushak at jtushak@tushakaccounting.com or any Board member, whose contact information can be found at www.panatptax.com/contact.html.

Become a Certified Instructor

Do you know what a "Certified Instructor" is? This is a recent designation instituted by NATP. Certified Instructors are eligible to teach a variety of classes developed by National. (The Essential 1040 & Beyond 1040 Workshops are not included.) With the IRS mandated education requirements soon to go into affect, it will be beneficial for our Chapter to have a number of certified instructors available to provide certified education at various times and places throughout the state. Our Chapter currently has four members who have been certified: Patti Blum, Bonnie Lewis, Patty Turner and Doris Cooper. Congratulations to them on passing this challenging certification course. Might you like to become a Certified Instructor? Plans are being made to hold the two day certification course in Pennsylvania next year. If you are interested in learning more or adding your name to the list of students, please email Justina Tushak at jtushak@tushakaccounting.com.

Are You a Celebrity?

Compilation of data for the Chapter of the Year Award is an on-going process and is being assembled for the 2012 award application. If you appear on TV or radio, have articles published or speak at a public function on a tax related topic or know a PA-NATP member who has, the Chapter of the Year Application Committee needs to hear from you. Publication and speaking are categories which earn the Chapter points toward the Chapter of the Year Award. Contact Justina Tushak at jtushak@tushakaccounting.com for information on what type of documentation is needed for inclusion with the application. The deadline for the award application is June 1 of each year.

Quick Reference Book Reminder

The order forms for Quickfinder and TaxBook reference books are now available on the NATP website <http://ad.natptax.com/taxstore/Documents/2012%20Quickfinder%20Order%20Form.pdf> <http://ad.natptax.com/taxstore/Documents/2012%20TheTaxBook%20Order%20Form.pdf> PA-NATP receives a nice donation from both of these companies when reference material is ordered on these specially coded order forms but only when ordered on these forms. So please remember when ordering your quick reference books to download and use only the coded forms, not ones that you receive in the mail.

2012 TAX CHANGE HIGHLIGHTS

(as reflected in the 2012-2013 budget signed by Governor Corbett on June 30, 2012)

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- This budget provided for the performance-based Pennsylvania Resource Manufacturing Tax Credit, a powerful incentive that will revitalize Pennsylvania's manufacturing industry, create thousands of good-paying Pennsylvania jobs and secure long-term economic benefits for Pennsylvania residents and communities.
- This budget continues Governor Corbett's commitment to phasing out the capital stock/foreign franchise tax, dropping the tax rate one more mill to 0.89 in 2013, then completely eliminating the unfair and burdensome tax on the value of a business in 2014. The phase out is expected to save businesses \$336.2 million in fiscal year 2012-13.
- This budget moves to 100 percent single sales factor for corporate net income tax apportionment purposes, finally eliminating consideration of property and payroll factors beginning in 2013 and saving businesses an estimated \$12 million in fiscal year 2012-13. Moving to 100 percent single sales factor strengthens the commonwealth's business climate, improves the bottom line for companies and increases their ability to create and retain jobs by providing incentive for a company to expand its Pennsylvania presence or locate a headquarters in Pennsylvania.
- The budget eliminates the Pennsylvania inheritance tax for farming families, previously levied when property was transferred from one generation to the next or between family members. The change is effective for estates of decedents dying after June 30, 2012.
- To address business community concerns regarding sales tax prepayment requirements, each sales/use tax licensee whose actual tax liability for the third calendar quarter of the preceding year is between 25,000 and \$100,000 is now provided with an alternative payment option to the requirement of paying 50 percent of the tax liability for the same month of the preceding calendar year. The licensee may remit an amount that is equal to or greater than 50 percent of the actual tax liability required to be reported for the same month in the current year.
- To facilitate the expansion of research and jobs, this budget provides for the improvement of various tax credit incentive programs, removing the sunset date of the Research & Development Tax Credit; expanding the applicability of the Film Production Tax Credit to additional tax types; increasing the cap on the Educational Improvement Tax Credit and complementing it with a secondary scholarship tax credit; creating a new Historic Preservation Incentive Tax Credit and Community Based Services Tax Credit; and expanding criteria and applicability for the Job Creation Tax Credit and Neighborhood Assistance Tax Credit, respectively.
- Given the proven success of dollars dedicated to enhanced enforcement efforts, additional audits and more scrutinized evaluation of tax refund requests, this budget allocates \$10 million in Enhanced Revenue Collection Account funding each year. This investment will result in an estimated \$100 million in additional tax revenue for fiscal year 2012-13.
- The negotiated budget provided for significant reform to Pennsylvania's tax appeals process, changes that capitalize on national best practices to reduce issues that result in appeals, make the appeals process more fair for taxpayers and improve Pennsylvania's ranking in multi-state reviews of tax appeals processes.
- The budget provided the Department of Revenue the authority to freeze, then access the bank accounts of businesses and the individuals responsible for them, to satisfy tax delinquencies that can't be addressed through wage garnishment. This tool will be effective in recovering stolen trust fund taxes – like sales tax collected from customers and employer withholding collected from employees – not remitted to the state by businesses.
- Two initiatives that will result in greater efficiencies and annual cost savings of nearly \$1 million for the department were authorized: the payment threshold for which electronic funds transfer (EFT) payments are required was lowered from \$20,000 to \$10,000, and certain department requirements to send taxpayer notices via certified mail were repealed.

E-FILE MANDATE FOR PAID THIRD-PARTY PREPARERS FOR PA MOTOR FUELS TAXES, SALES/USE TAX AND EMPLOYER WITHHOLDING EFFECTIVE JAN. 1, 2013

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In an effort to increase the rate of electronic filing, the fastest and most cost-effective way for the Department of Revenue to process tax reports, the department will require third-party preparers who prepare at least 50 Pennsylvania Liquid Fuels Reports (REV-1096); 50 Sales, Use and Hotel Occupancy Tax Returns (PA-3); or 50 Employer Quarterly Returns of Income Tax Withheld (PA-W3) for tax years beginning on or after Jan. 1, 2012, to file clients' tax reports electronically during calendar years beginning on or after Jan. 1, 2013.

In determining if a paid tax preparer prepared at least 50 reports or returns, a third-party preparer must include all returns the preparer or his or her members or employees prepare or submit to the department. This amount includes all original or amended, full-year or part-year returns to the extent that such returns can be e-filed with the department. If a third-party preparer has multiple business locations, the combined total of all the returns for all locations are included.

If the tax software of a preparer required to e-file cannot support electronic filing, such software must be acquired. Once a third-party preparer is subject to this filing mandate, the third-party preparer will continue to be subject to the mandate regardless of how many REV-1096, PA-3 or PA-W3 reports/returns he or she prepares during the year.

Exceptions to the e-file requirement include the following:

- A paid tax preparer may file a paper report when a taxpayer specifically directs the preparer to do so. This directive must be in a written form, signed by an officer of the corporation and provided to the department upon request.
- A paid tax preparer using tax software that does not support electronic filing of a required attachment to a report may file that attachment in a paper form.
- A tax preparer who proves electronic filing would place undue hardship on the preparer may submit a written request for a waiver from the department by Nov. 1 of the preceding calendar year for which the waiver is required. The request must clearly explain why the filing method causes an undue hardship, and it must be mailed to the appropriate taxing bureau for consideration.

Third-party tax preparers not subject to the electronic filing requirements include volunteer, unpaid preparers; people who provide only support such as typing; employees of a business who prepare tax reports for other employees and officers of the business; and fiduciaries who prepare reports for the trusts and estates they serve.

These most recent e-filing mandates accompany similar e-filing mandates for corporate tax reports and personal income tax reports implemented in 2011.

DEPARTMENT INTRODUCES PERSONAL INCOME TAX FAX COVER SHEET

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In conjunction with the new fax technology introduced in the last quarter of 2011, the Bureau of Individual Taxes has developed a new [fax cover sheet, DEX-93](#), to ensure faxed information is correctly identified and processed to the appropriate account. Practitioners are encouraged to use the fax cover sheet to send information for electronically filed returns or for correspondence in response to a department request.

VOLUNTARY DISCLOSURE PROGRAM PROVIDES PENALTY RELIEF

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The Voluntary Disclosure Program provides an opportunity for businesses and individuals who recently became aware of Pennsylvania tax obligations to come forward and meet such obligations voluntarily, without having to pay penalties.

Qualifying taxpayers who recently became aware of outstanding non-corporate tax liabilities such as sales and use tax, employer withholding, personal income tax, etc. will only be responsible for satisfying outstanding tax liabilities for up to three years plus the current year. Penalties for those years will be waived, and additional years' liabilities will be forgiven when taxpayers file appropriate returns and remit payment for all taxes and interest due.

Taxpayers owing corporation tax liabilities (gross receipts tax, corporate net income tax, capital stock/foreign franchise tax, etc.) will only be responsible for satisfying outstanding tax liabilities for up to five years plus the current year. Penalties for those years will be waived, and additional years' liabilities will be forgiven when taxpayers file appropriate returns and remit payment for all taxes and interest due.

The program is only available to those taxpayers who are not registered with the department and for which no investigations or collection actions have begun.

A taxpayer must provide the following information to the department so it may determine the taxpayer's eligibility for the Voluntary Disclosure Program:

- The type(s) of tax due;
- The date(s) the taxpayer's tax liabilities began;
- A detailed description of the taxpayer's activities in Pennsylvania and information on any products sold or services provided;
- An explanation of the taxpayer's failure to file and pay past-due taxes;
- Verification that the taxpayer has not been previously contacted by the department regarding the tax liability; and
- A completed Business Activities Questionnaire (DEO 50), available from the Voluntary Disclosure Office.

To qualify for the Voluntary Disclosure Program, a taxpayer must agree not to petition any reported liabilities. Additionally, the department reserves the right to audit the taxpayer.

For more information on the Voluntary Disclosure Program, visit www.revenue.state.pa.us.

COMMONWEALTH OF PENNSYLVANIA NOW ON FACEBOOK

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The Commonwealth of Pennsylvania has designed a new Facebook page to promote agency initiatives and programs and allow residents to learn about all the exciting happenings in state government.

Pennsylvania launched its social networking page earlier this month, to provide a new and innovative way to stay connected to Pennsylvania.

To view the Pennsylvania Facebook page, please visit www.pa.gov and select the Facebook icon on the right. You can view Governor Corbett's Facebook page by selecting the Facebook icon at www.governor.pa.gov.

To connect with Commonwealth of Pennsylvania, sign up for Facebook today.

DEPARTMENT OF REVENUE CLARIFIES INHERITANCE TAX POLICY CONCERNING MINERAL RIGHTS AND NATURAL GAS INTERESTS

Reprinted from the PA Dept. of Revenue's website with the permission of the Department's Press Office

Inheritance Tax Bulletin 2012-01 clarifies the Department of Revenue's policy concerning the taxation of mineral rights and natural gas interests for Pennsylvania inheritance tax purposes, in order to achieve a consistent valuation method for mineral and natural gas rights without excessive cost or burden for a decedent's estate.

The taxable value of mineral and natural gas rights must be determined using the same methodology used to value any real property or tangible personal property interest. The bulletin provides inheritance tax valuation guidance for the following:

Mineral Rights: The taxable value is based upon the price paid in a bona fide sale. If the transfer is for no or nominal consideration, the estate must calculate the value by applying the common level ratio to the assessed value of the mineral rights. If there is no sale or calculated value, the taxable value is the actual monetary worth of the interest.

Natural Gas Rights: The taxable value is based upon the price paid in a bona fide sale. If there is no bona fide sale, natural gas rights can be determined from a credible appraisal. Because natural gas rights do not have assessed values, absent a bona fide sale, an appraisal or other credible evidence to the contrary, the value of natural gas rights is determined as follows:

- For leased and producing properties, the value should be reported as the sum of all payments received or production of natural gas interests during the 12 months prior to the date of death, multiplied by two.
- Interests in leased, non-producing properties should be reported at zero value unless at the time of death the gas rights are generating fixed future payments. In such cases, value is calculated by reducing the fixed future payments to present value at the time of death using IRS actuarial tables.
- Interests in non-leased, non-producing properties are valued at zero.

ALTERNATIVE FUELS TAX BULLETIN CLARIFIES TAX COLLECTION, REPORTING AND PAYMENT OBLIGATIONS

Reprinted from the PA Dept. of Revenue's website with the permission of the Department's Press Office

As the popularity of alternatives fuels – including electricity, compressed natural gas, liquefied natural gas and others – continues to grow in Pennsylvania, the department recently issued Motor Fuels Tax Bulletin 2012-01, which reminds all persons who are, or plan to be, engaged in the sale and/or use of alternative fuels in Pennsylvania of the licensing, tax and reporting responsibilities related to alternative fuels.

Motor Fuels Tax Bulletin 2012-01 defines alternative fuels, clarifies who is responsible for reporting and paying alternative fuels tax, identifies 2012 alternative fuel tax rates and identifies who must be licensed to sell and/or use alternative fuels in Pennsylvania. To review Motor Fuels Tax Bulletin 2012-01, visit www.revenue.state.pa.us.

BUREAU OF MOTOR FUELS BEGINS E-ALERTS FOR FUELS AND LIQUID FUELS LICENSEES

To improve customer service and the exchange of information, the Department of Revenue will begin sending motor fuels alerts to registered liquid fuels distributors and alternative fuels dealers/users.

In mid-July, Class 1 – 5, Class 6 – 6A and Class 7 license accounts will begin receiving Revenue e-Alerts regarding gasoline, diesel fuel and administrative updates through AlertPA. Registered accounts will be notified regularly of license cancellations, license awards and license renewal deadlines.

To create an Alert PA account or customize notifications from the Department of Revenue and other Pennsylvania state and local authorities, practitioners are encouraged to visit Alert.PA.gov.

FISCAL YEAR 2011-2012 COLLECTIONS

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Pennsylvania collected \$2.8 billion in General Fund revenue in June, which was \$170.1 million, or 6.5 percent, more than anticipated, Secretary of Revenue Dan Meuser reported.

Fiscal year 2011-12 General Fund collections totaled \$27.7 billion, which was \$162.8 million, or 0.6 percent, below estimate. The fiscal year ended June 30.

Sales tax receipts totaled \$777.7 million for June, \$45.5 million below estimate. Sales tax collections for the fiscal year totaled \$8.8 billion, which was \$15.8 million, or 0.2 percent, less than anticipated.

Personal income tax (PIT) revenue in June was \$995.3 million, \$25.7 million above estimate. This brought fiscal-year PIT collections to \$10.8 billion, which was \$199.1 million, or 1.8 percent, below estimate.

June corporation tax revenue of \$651 million was \$180.4 million above estimate. Fiscal-year corporation tax collections totaled \$5 billion, which was \$38.8 million, or 0.8 percent, above estimate.

Inheritance tax revenue for the month was \$71.5 million, \$4.9 million below estimate. This brought the fiscal-year total to \$827.7 million, which was \$10.4 million, or 1.2 percent below estimate.

Realty transfer tax revenue was \$28.8 million for June, \$300,000 above estimate, bringing the fiscal-year total to \$292.2 million, which was \$800,000, or 0.3 percent, more than anticipated.

Other General Fund tax revenue, including cigarette, malt beverage, liquor and table games taxes, totaled \$139.1 million for the month, \$400,000 below estimate and bringing the fiscal-year total to \$1.5 billion, which was \$1.6 million, or 0.1 percent, above estimate.

Non-tax revenue totaled \$119.6 million in June, \$14.4 million above estimate, bringing the fiscal-year total to \$529.5 million, which was \$21.3 million, or 4.2 percent, above estimate.

In addition to the General Fund collections, the Motor License Fund received \$199.9 million for the month, \$12.7 million above estimate. Fiscal-year collections for the fund – which include the commonly known gas and diesel taxes, as well as other licenses, fine and fee revenues – totaled \$2.4 billion, which was \$2.2 million, or 0.1 percent, below estimate.

BUDGET SECRETARY CERTIFIES \$782.5 MILLION FOR STATEWIDE PROPERTY TAX RELIEF

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In April, Budget Secretary Charles B. Zogby certified that \$782.5 million in gaming revenue will be available for property tax relief in 2012.

The 2006 Taxpayer Relief Act established the Property Tax Relief Fund as a way to use gaming revenue to reduce property taxes for homeowners. The law requires the budget secretary to certify the actual balance in the fund by April 15 of each year and to project gaming revenue coming into the fund in the next six months.

Zogby certified that the balance in the Property Tax Relief Fund was \$405.3 million. Gaming revenue through Oct. 15 is projected to add \$436.2 million to the relief fund, bringing the total amount in the fund at that time to approximately \$841.5 million, which includes a projected balance of \$59 million in the Property Tax Relief Reserve Fund.

The average statewide property tax reduction for each household is expected to be about \$200 this year. School districts will receive their share of property tax relief in two equal installments in August and October.

Homeowners in 66 counties will receive reductions in the school property tax bills they will receive this summer. In accordance with the Taxpayer Relief Act, Philadelphia's share of funding for broad-based tax relief – \$86.3 million – will be used to reduce the city's wage tax.

The amount of property tax relief in each school district is now available online at the School District Property Tax Relief section of the Department of Education website at www.education.state.pa.us. Gaming revenue also supports the

Property Tax/Rent Rebate Program. Under this program, older and disabled homeowners with incomes up to \$35,000 – and renters with incomes up to \$15,000 – are eligible for rebates of up to \$650. Supplemental rebates for qualifying homeowners can increase rebates to \$975.

More information is available at www.revenue.state.pa.us or by calling 1-888-222-9190

2012 PA-NATP Events Summary and Quick Links

The Pennsylvania Chapter has prepared a full and varied schedule of educational seminars for the fall. There is no better forum at which to meet and network with your fellow PA tax professionals. Make your plans now to attend one or more of these worthy events. Click on the links below for complete details and registration information.

[West Seminar](#) - Regional Learning Alliance, Cranberry - September 21
Topics – Ethics & Circular 230, Schedule C, Depreciation, PA Sales & Use Tax

[RTRP Exam Review Course](#) – Heritage Hotel, Lancaster – September 26

[25th Anniversary Annual Conference & Meeting](#) – Park Inn by Radisson, Mechanicsburg - October 22 & 23
Topics - State Capitol Bldg. Tour, Recordkeeping & Disaster Planning, Independent Contractor vs. Employee, PA Personal Income Tax Update, Intro to LLC's

[East Seminar](#) - Woodlands, Wilkes-Barre - November 13
Topics – Ethics & Circular 230, PA Sales & Use Tax, Schedule D

Synopsis of the June 20th Board of Directors Meeting

The meeting was called to order at 9:02 A.M. by President Justina Tushak. Eleven directors were present.

The secretary's and treasurer's reports were given and approved. Treasurer Rich Miller reported that the chapter's books had been given to Kathy Kramer for the annual audit.

The Nominations Chair, Dave Fleming, reported that 5 currently filled board seats are up for election this fall. Two additional seats have been and remain vacant. It was mentioned that new blood with new ideas would benefit the organization. Presidential succession was also discussed.

It was decided to have the West Working Together information included on the chapter website.

President Tushak reported that there had been 3 candidates for this year's Dave Knickerbocker Scholarship. The award was made to Kristine Malone. Concerns still exist about the way the scholarship is being administered by the school.

Public Relations Chair Patty Turner reported that she had mailed 1100 post cards containing information about upcoming chapter events. The address of our website was also included on the cards.

Education Committee Chair Patti Blum reported that all education for the fall had been approved and was ready to go. Since no IRS person was available, a new presenter for the ethics session at the West Seminar had been enlisted. The East Seminar was nearly ready except for choosing the menu. Final details for the annual conference and membership meeting were confirmed.

Preparations for the National Conference were reviewed.

Gary Smith will investigate the possibility of participating in a walk for the Alzheimer's charity.

In light of the additional expenses associated with the 25th anniversary celebration, it was agreed that no social event would be held this year. It will be considered again in 2013.

It was noted that the CPE certificates for our seminars had to be revamped in order to comply with the new IRS regulations.

The meeting adjourned at 11:38.

Democracy must be something more than two wolves and a sheep voting on what to have for dinner. - James Bovard, Civil Libertarian

The Financial Page

Income & Expenses Year to Date

as of
30 June 2012

REVENUES

Dues	6370.00
Incentive	572.00
Printed Matter Sales	1260.00
West Seminar	6690.00
Interest	4.40

TOTAL REVENUES	14896.40
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EXPENSES

Newsletter - Postage	31.60
Newsletter - Printing	77.49
Newsletter - Misc	400.00

SUBTOTAL	509.09
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Admin - Bank Fees	193.07
Admin - Telephone	25.24
Admin - Mileage	162.80
Admin - Misc.	68.90

SUBTOTAL	450.01
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BOD - Conf. Calls	690.29
BOD - Misc	8.00
Committee Expenses	
Conference Calls	350.00
Printed Material	308.70
Web Site	131.60

SUBTOTAL	1488.59
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Scholarship Contrib.	500.00
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National Conference	845.00
East Region Seminar	300.00
West Region Seminar	1212.00
<i>Annual Conference</i>	

SUBTOTAL	2357.00
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TOTAL EXPENSES	5304.69
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NET INCOME	9591.71
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Balance Sheet

ASSETS

Current Assets:

Commercial Bank Checking	14,846.33
Commercial Bank Savings	8,473.10
Commercial Bank PayPal	50.00
Accounts Receivable	

Total Current Assets:	23,369.43
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Property and Equipment:	2,442.10
Equipment - Accum Depr	-2,048.00

Total Property and Equipment:	394.10
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Other Assets:

Deposits	1360.80
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Total Other Assets:	1,360.80
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Total Assets:	25,124.33
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LIABILITIES AND CAPITAL

Current Liabilities:

Total Current Liabilities:	0.00
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Long-Term Liabilities:

Total Long-Term Liabilities:	0.00
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Total Liabilities:

Capital:

Retained Earnings:	15,532.62
Net Income:	9,591.71

Total Capital:	25,124.33
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Total Liabilities & Capital:	25,124.33
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Your ad on these pages can reach nearly 1000 PA tax professionals.

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2 Issues, same ad \$30.00
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Additional words flat rate 50¢ per word for 1- 4 issues, member and nonmember.

Non-Member rates, up to 100 words:

1 Issue \$30.00
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Half page \$ 85.00
Quarter page \$ 50.00

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Quarter page \$75.00

All ads must be prepaid and tax/accounting/financial planning related.

Mail checks, payable to PA-NATP, to the treasurer:

Richard L. Miller, CFP
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Greensburg, PA 15601

Send ads to the newsletter editor:

Samuel Wingard
2652 Barnard Rd
Dayton, PA 16222
sam1040@windstream.net

2012 PA-NATP Board of Directors

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