

DAUPHIN COUNTY TAX COLLECTION COMMITTEE

SUMMARY MINUTES

March 17, 2021

- Roll Call – A quorum was established.
- Delegates Present: J. Seeds, Middle Paxton Township; V. Shaw, Penbrook Borough; J. Fosselman, Swatara Township; M. Gossert, West Hanover Township; A. Memmi, Derry Township; G. Shade, Halifax Borough; R. Wentzel, Wayne Township, Halifax Township, Jackson Township; P. Cornell, East Hanover Township; D. Hummer, Hummelstown Borough; S. Canazaro, Middletown Borough; A. Jackson, Millersburg Borough; K. Thoma representing Boroughs of Berryburg, Elizabethville, Gratz, Lykens and Pillow; K. Thoma representing Townships of Jefferson, Lykens, Mifflin and Washington; R. Horney, Central Dauphin School District; L. Shaw, Derry Township School District; R. Wentzel, Halifax Area School District; M. Shuler, Lower Dauphin School District; D. Franklin, Middletown Area School District; C. Artz, Millersburg Area School District; K. Thoma, Upper Dauphin Area School District.

Solicitor: G. Beneventano

Keystone Collections: Joe Lazzaro, Esq., and John Pinkerton, Community Liaison

- The Chairman, A. Memmi, called the meeting to order. He stated that the meeting is being conducted remotely via GoToMeeting, and that public notice of the remotely held meeting has been published. The meeting agenda was posted on the TCC's website prior to the meeting.
- The Chair noted that no one from the public is participating in the meeting; therefore, there are no public comments.
- Summary Minutes of the annual organizational meeting from January 2021 were presented – A motion was made and seconded to approve the January 2021 summary minutes --accepted and APPROVED.
- Financial report as of February 28, 2021 was presented for approval – A motion was made and seconded to approve the February 2021 financial report -- accepted and APPROVED.
- Mr. Joe Lazzaro of Keystone Collections provided the tax collector report. Despite the disruptions caused by the pandemic, Keystone closed collections for tax year 2020 in a positive position, and it is in a good position for the first quarter of 2021 based on the eight reported aggregate weeks of the new tax year. For purposes of comparison,

Keystone's steady course is illustrated by looking at collections from January 1st through March 17th (the date of today's meeting) from 2019 through 2021.

<u>Tax year</u>	<u>Collection from January 1st through March 17th</u>
2019	\$28,151,025.00
2020	\$29,966,015.00
2021	\$31,213,420.00

Mr. Lazzaro emphasized that Keystone has been able to maintain this steady course despite the fact that the PA Department of Revenue (DOR) has not yet provided Keystone with income tax data for tax year 2018. Historically, DOR has delayed two years in providing Keystone with this important data which Keystone then uses to compare and contrast income reported on state returns with income reported on local EIT returns. DOR is now three years behind in providing Keystone with this important data. Nevertheless, when Keystone receives the tax data for tax year 2018, it will unleash its delinquent EIT collections unit so that even more money will be recovered from delinquent taxpayers.

Mr. Lazzaro has also emphasized that Keystone's IT Department has developed tremendous automation tools for delinquent tax collection, tools which are unmatched at this point by any government or service provider, either state or local. As the TCC is aware, Keystone collects delinquent per capita taxes and occupational privilege taxes. Keystone is not waiting for DOR data to pursue tax payers who are delinquent in paying those two taxes. Based on the IT department's automation tools, Keystone is moving forward with collections of delinquent per capita and occupational privilege taxes.

At Mr. Lazzaro's request, Keystone's John Pinkerton provided an update on Keystone's new website. Soon, Keystone's new website will provide for "on-line" exonerations so that those who prefer avoiding the U.S. Mail may do so. In other words, for those who have received delinquent notices from Keystone, they may promptly seek to clear their accounts by "uploading" supporting tax documents (e.g., missing W-2s) or otherwise correcting errors on previously filed forms. Mr. Lazzaro confirmed that Keystone has tested this "on-line" exoneration process with a select group of CPAs and other tax preparers across the state. Based on feedback from these professionals, Keystone is excited about this dynamic new information process.

Mr. Lazzaro also reported that late in the afternoon, The Wall Street Journal reported that the "IRS is said to delay the tax-filing deadline until mid-May." In an on-line article, reporter Richard Rubin wrote that "[t]he Internal Revenue Service will delay the April 15 tax-filing deadline until May 17, senior members of the House Ways and Means Committee said on Wednesday." (See attachment.)

- Chairman Memmi asked whether the TCC should take official action in anticipation of a change in state law to mirror the change in federal law just reported by The Wall Street Journal. The solicitor recommended that the TCC approve a resolution in form and substance similar to Resolution No. 2020-01, which the TCC adopted on June 17, 2020 to

address certain issues of local taxation for 2019 that arose from the pandemic emergency. A motion was made that the TCC approve such a motion (to be drafted by the solicitor), and that the Chairman be authorized to sign such a motion prior to the next scheduled TCC meeting. The motion was seconded. Following discussion, the motion was accepted and APPROVED. (Note: Resolution No. 2021-01 was signed by Chairman Memmi on April 12, 2021 and, consistent with the TCC's discussion, a true and correct copy of the Resolution was sent to each taxing authority within the TCC via email and regular mail.)

- At the recommendation of Keystone and the solicitor, the TCC reviewed a taxpayer Disclosure Statement prepared by Keystone in connection with the EIT appeals process. A motion was made to approve the Disclosure Statement – accepted and APPROVED.
- The Chairman thanked everyone for attending the meeting through GoToMeeting.
- Meeting adjourned at 7:14 p.m.

U.S.

IRS Said to Delay Tax-Filing Deadline Until Mid-May

Extension would give taxpayers more time to grapple with late law changes, pandemic

By Richard Rubin

Updated March 17, 2021 3:53 pm ET

WASHINGTON—The Internal Revenue Service will delay the April 15 tax-filing deadline until May 17, senior members of the House Ways and Means Committee said on Wednesday.

The move would come after lawmakers and accountants pressed the government for more time to complete 2020 tax returns and adjust to tax-law changes during the pandemic. The tax-filing season started later than usual and has been messy as taxpayers deal with the effects of last year's economic disruptions and late changes to the tax law.

Notably, the coronavirus relief package that President Biden signed into law last week retroactively changed the tax rules for unemployment benefits received in 2020, making the first \$10,200 exempt from taxation for households making under \$150,000.

"We are gratified that the IRS has recognized the need and heeded our calls for additional time, and while we are pleased with this 30-day extension, we will continue to monitor developments during this hectic filing season," said Reps. Richard Neal (D., Mass.) and Bill Pascrell (D., N.J.) in a statement.

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