

States are extending an olive branch to non-compliant taxpayers.

Just like everyone in this economy, States are looking for ways to increase their revenues as they struggle to balance their budget. One of the ways they are doing this is by offering programs to delinquent or non-compliant taxpayers that enable them to increase their revenue stream while creating a perception that they are they "good guys" by reducing penalties and interest that may be due.

Many states are currently offering either **tax amnesty**, where all penalties and some of the interest is waived for non-compliant taxpayers or **voluntary disclosure** that waives only the penalties. Generally, if a return hasn't been filed, a State can assess tax for whatever period of time they determine that tax was due; once agreed to by the State, both of these programs limit the number of prior years the State will pursue.

Currently Delaware, Maryland, New Jersey, New York and Pennsylvania all offer voluntary compliance programs. New Jersey has an amnesty program but it will end on June 15th. Maryland will offer an amnesty program beginning in July.

Any taxpayer is eligible to participate in either of these programs if the State has not yet notified the taxpayer of his/her/its non-compliance. A State will **not** be lenient when they contact a taxpayer after the taxpayer had the opportunity to pursue either of these programs.

If you would like more information on either of these programs, contact us and we will assist you the process.

Frank Griffin
Tax Manager
Plymouth Meeting
(610) 279-9100

Gerry Slapkus
Tax Manager
Media
(610) 565-3930