



CITY OF PITTSBURGH

THE INSTITUTION AND SERVICE PRIVILEGE TAX REGULATIONS

Revised January 2020

INTRODUCTION

Ordinance No. 676 of 1968 as amended and re-enacted, imposes a tax upon the privilege of conducting or operating a service or service institution in the City of Pittsburgh, at the rate of six mills as measured by gross receipts derived from all service transactions. The Ordinance was enacted under the authority of the Local Tax Enabling Act, 53 P.S. § 6924.101, and following. The current text of the Ordinance can be found in Title Two, Article VII, Chapter 247 of the City of Pittsburgh Code of Ordinances.

Questions relating to specific institutions and specific institution operations not answered in these Regulations, should be submitted in writing to the City Treasurer, on prescribed forms available from: Treasurer, City of Pittsburgh, City-County Building, Pittsburgh, Pennsylvania 15219.

TABLE OF CONTENTS

ARTICLE I – GENERAL PROVISIONS	4
(1) SECTION 101 - DEFINITIONS.....	4
(2) SECTION 102 – WHO MUST FILE A RETURN	7
(3) SECTION 103 – TAX BASE	8
(4) SECTION 104 – WHAT CONSTITUTES RENDERING SERVICES IN PITTSBURGH.....	8
(5) SECTION 105 – RECEIPTS FROM GOVERNMENTAL AGENCIES AND NON- PROFIT ORGANIZATIONS	8
(6) SECTION 106 – REFERENCES TO FEDERAL STATUTES	8
ARTICLE II – RETURNS	9
(1) SECTION 201 – FILING RETURN	9
(2) SECTION 202 – PAYMENT OF TAX	9
(3) SECTION 203 – TAX RATE	9
(4) SECTION 204 – PENALTIES AND INTEREST	9
ARTICLE III – TAXABILITY	10
(1) SECTION 301 – PERIOD USED IN CALCULATING THE TAX.....	10
(2) SECTION 302 – TAXABLE GROSS RECEIPTS	10
ARTICLE IV – DETERMINATION OF TAX BASE	12
(1) SECTION 401 - INCLUSIONS	12
(2) SECTION 402 – PITTSBURGH RECEIPTS.....	12
ARTICLE V – SUITS FOR COLLECTION, PENALTIES, ETC.....	14
(1) SECTION 501 – SUITS FOR RECOVERY OF UNPAID TAXES.....	14
(2) SECTION 502 – PENALTY AND INTEREST FOR NON-PAYMENT	14
(3) SECTION 503 – FINES AND PENALTIES FOR VIOLATION OF ACT	15
(4) SECTION 504 – REMEDIES NOT MUTUALLY EXCLUSIVE.....	15

ARTICLE VI – TAXPAYER REMEDIES	16
(1) SECTION 601 – TREASURER (DIRECTOR) HEARINGS	16
(2) SECTION 602 – APPEALS	16
(3) SECTION 603 – PAYMENT UNDER PROTEST	17
(4) SECTION 604 – REFUNDS	17
(5) SECTION 605 – INSTALLMENT PAYMENT PLAN FOR ANY DEFICIENCY.....	17
ARTICLE VII – SAVINGS CLAUSE AND SEVERABILITY.	19
(1) SECTION 701 – SAVINGS CLAUSE AND SEVERABILITY.....	19
(2) SECTION 702 – DISCLOSURE STATEMENT	19

ARTICLE I
GENERAL PROVISIONS

Section 101. — Definitions. As used in this Ordinance, unless the context clearly indicates a different meaning, the following words and phrases shall have the meaning set forth below:

- (a) **"City"** - the City of Pittsburgh.
- (b) **"Exempt Institutions"** the following Institutions are exempt from the Institution and Service Privilege Tax:
 - (1) Corporations organized under an Act of Congress which are instrumentalities of the United States, including any entity described in 26 U.S.C. § 501(l);
 - (2) The United States, any State or political subdivision thereof, any authority of the state or local government, any elementary or secondary school within the City (public or private), and any federal, state, or municipal pension plan;
 - (3) Any Institution of Purely Public charity, under 10 P.S. § 371, that provides the evidence required by 10 P.S. § 376(a);
 - (4) Any insurance company regulated by the Pennsylvania Insurance Department;
 - (5) Any utility regulated by the Pennsylvania Utility Commission;
 - (6) Any voluntary employee's beneficiary association described in 26 U.S.C. § 501(c)(9), or any qualified pension or retirement plan or trust of a private employer or a multiemployer plan or trust; including any qualified plan or trust described under; 26 U.S.C. § 501(c)(22); 26 U.S.C. § 501(c)(24); or 26 U.S.C. §§ 501(c)(25)(C)(i), (ii) or (iii);
 - (7) Any regulated financial institution under the Tax Reform Code of 1971, 72 P.S. § 7401(6); and.
 - (8) Any organization exempt from tax under 26 U.S.C. 501, which is not listed in the classes of Taxable Institutions under Section 101(e) of these Regulations.
- (c) **"Gross Receipts"** - cash, credits, property of any kind or nature received in or allocable to the City of Pittsburgh from any Institution by reason of any Service rendered in the City, without deduction therefrom on account of property sold, materials used, labor, service, or other cost, interest or discount paid, or any other expense.
 - (1) "Gross Receipts" shall include payments from insurance or other third-party payments for the cost of Service;
 - (2) "Gross Receipts" shall include payments for Service rendered to affiliates or subsidiaries.
 - (3) "Gross Receipts" shall include any payment, income, grants, or other aid from federal, state or local governments, including the Medicare and Medicaid Programs as well as Pennsylvania General Assistance.

(4) "Gross Receipts" shall exclude receipts subject to the City Mercantile License Tax, the City Business Privilege Tax, the Earned Income Tax, or any taxes collected as an agent for any government (such as sales taxes). At this time, the City does not collect any Mercantile License Tax or Business Privilege Tax.

(5) "Gross Receipts" shall exclude membership fees, dues of the members of the Institution, voluntary or charitable contributions unrelated to individual service or assessments which fall equally upon all members. Local Tax Enabling Act, 53 P.S. § 6924.301.1(f)(7). However, individual charges for service to a member or non-member of an Institution are not membership fees but Gross Receipts subject to Tax.

(6) Donations, dues, and receipts associated with religious services received by religious organizations, are excluded from "Gross Receipts." Non-religious activities of religious organizations, i.e. bingo, bazaars, etc. are excluded from "Gross Receipts" unless the organizers and/or operators of such activities are paid for rendering such services.

(7) "Gross Receipts" shall exclude receipts attributable to activities sponsored and conducted solely and completely by and for the entity by unpaid volunteers.

(8) "Gross Receipts" shall exclude receipts of Exempt Institutions.

(9) "Gross Receipts" shall exclude any receipts which the City is prohibiting from taxing by reason of federal law, the Constitution of the United States, or the laws Commonwealth. Any person making such as claim shall provide on its tax return a short citation to applicable case or statutory law that is the basis for the exemption claim.

(10) "Gross Receipts" that are excluded from Tax are called "**Exempt Receipts.**"

(d) "**Person**" - any foundation, partnership, corporation, charitable trust, limited liability company, unincorporated association or any other organization operating under a non-profit charter or organized as a non-profit charter or organized as a non-profit entity, which provides Service to the public or to any select or limited number thereof. Examples of entities organized as a non-profit entity include, non-profit corporations formed under the Non-Profit Corporation Law of 1988, 15 Pa.C.S. § 5101, or any predecessor or successor law, or the Pennsylvania Uniform Unincorporated Nonprofit Association Law, 15 Pa.C.S. § 9111, or any predecessor or successor law.

(1) The word "person" includes any incorporated or unincorporated entity, trust, or foundation, which provides a taxable Service, which is exempt from the Corporate Net Income tax under 72 P.S. § 7401(1)3 and § 7401(1)4(i), and which is a member of one of following classes of non-profit entities described under 26 U.S.C. § 501:

(i) corporations or other organizations exempt under 26 U.S.C. § 501(c)(3) (such as religious, charitable, scientific, or sporting organizations);

- (ii) organizations that would qualify for exemption under 26 U.S.C. § 501(c)(3) but are excused from applying for recognition under 26 U.S.C. § 508(c)(1)(A) or § 508(c)(2) (such as some religious organizations);
- (iii) civic leagues, public advocacy, or social welfare organizations exempt under 26 U.S.C. § 501(c)(4);
- (iv) labor, agricultural, or horticultural organizations exempt under 26 U.S.C. § 501(c)(5);
- (v) business leagues, chambers of commerce, boards of trade (but expressly excluding professional football leagues) exempt under 26 U.S.C. § 501(c)(6);
- (vi) social clubs (including sports, recreation, golf, exercise, and country clubs) exempt under 26 U.S.C. § 501(c)(7);
- (vii) fraternal benefit societies, orders or associations exempt under 26 U.S.C. § 501(c)(8);
- (viii) domestic fraternal organizations exempt under 26 U.S.C. § 501(c)(10);
- (ix) cemeteries exempt under 26 U.S.C. § 501(c)(13);
- (x) veterans organizations exempt under 26 U.S.C. § 501(c)(19) or 26 U.S.C. § 501(c)(23);
- (xi) religious and apostolic organizations exempt under 26 U.S.C. § 501(d);
- (xii) cooperative hospital service organizations exempt under 26 U.S.C. § 501(e); and
- (xiii) cooperative service organizations operating educational organizations exempt under 26 U.S.C. § 501(f).

(2) Whenever used in any provisions prescribing a fine or penalty, the word "person" as applied to partnerships shall mean the partners thereof; as applied to corporations and unincorporated associations shall mean the officers thereof; as applied to foundations shall mean the trustees thereof.

(3) The word "person" shall not include any Institution of Purely Public Charity that is recognized as such under 10 P.S. § 371. The receipt of a sales tax exemption issued by the Pennsylvania Department of Revenue is evidence that the person is an Institution of Purely Public Charity. 10 P.S. § 376(a). An entity that is merely affiliated with an Institution of Purely Public Charity is not itself exempt unless that entity is itself recognized as an Institution of Purely Public Charity under 10 P.S. § 371.

(4) The word "person" shall not include a natural person, an estate of a decedent, or an entity subject to Corporate Net Income Tax, as set forth in the Tax Reform Code of 1971, 72 P.S. § 7401, *et. seq.*

(e) "**Service**" - carrying on or exercising within the City of Pittsburgh, medical, educational, beneficial, social, recreational, vocational, or any other type of service for which a charge is made, as a non-profit entity and which is not a business subject to the City Business Privilege Tax. A Service does not include the sale or rental of personal property. Such Service, when provided by a Taxable Institution, is an "**Institutional Service**."

(f) "**Taxable Institution**" - any person, organization, foundation, corporation or unincorporated association operating under a non-profit charter or recognized as a non-profit entity by the Commonwealth of Pennsylvania, including, but not limited to, hospitals, nursing homes, colleges, universities, schools other than elementary and secondary schools, cemeteries, veterans organizations, recreational centers, fund-raising organizations and all other organizations which provide Service to the public, listed under Section 101(d) of these Regulations. The phrase "Taxable Institution" shall not include any Exempt Institution or any entity or unincorporated association that is not a "person."

(g) "**Tax**" – means the Institution and Service Privilege imposed by Title Two, Article VII, Chapter 247 of the City of Pittsburgh Code of Ordinances.

(h) "**Tax Year**" - the twelve-month period from January 1 to December 31.

(i) "**Taxpayer**" includes any person or Institution subject to the Privilege Tax that is not an Exempt Institution or any entity or unincorporated association that is not a "person."

(j) "**Treasurer**" - the Treasurer of the City of Pittsburgh.

Section 102. — Who must file a return.

(a) Every person or Taxable Institution engaging in a non-profit Service in the City of Pittsburgh.

(b) Every person or Taxable Institution subject to the tax imposed by Ordinance shall forthwith register with the Treasurer and set forth the name, address and nature of the service activity in which it is engaged and shall obtain the license required by Section 247.05 of the Pittsburgh Code of Ordinances.

Section 103.—Tax Base.

The gross receipts of every person engaged in any institution or non-profit Service in the City of Pittsburgh. Specifically excluded from tax are Exempt Receipts.

Section 104.—What Constitutes Rendering Services in Pittsburgh.

(a) Whether or not a person carries on a taxable activity within the meaning of the Institution and Service Privilege Tax is essentially a question of fact. In general, taxable activity includes any activity by a person or institution engaging in a Service for which a charge is made.

(b) A person or Institution who engages in a taxable activity in Pittsburgh, is subject to this tax, whether he is a resident or whether he has a permanent location in Pittsburgh.

Section 105. – Receipts from Governmental Agencies and Non-Profit Organizations.

(a) Receipts from sales made or Services rendered to all government bodies, including authorities, and to religious, charitable and educational corporations and associations shall not be excluded from the tax base. Receipts from third party payments made by government agencies for Services rendered to others shall be included in the tax base.

(b) Notwithstanding the above, Exempt Receipts and receipts of Exempt Institutions are excluded from the tax base.

Section 106. – References to Federal Statutes

All references in these regulations to federal statutes are intended to include references to federal statutes in effect on January 1, 2020, without regard to any later amendment or repeal.

ARTICLE II

RETURNS

Section 201. — Filing Return.

(a) Except as to new business, both the tax return and payment of the tax are due on April 15th of every year.

(b) Forms may be obtained from the City Treasurer, City-County Building, Pittsburgh, Pennsylvania 15219. Failure to receive the forms will not excuse a taxpayer for failure to file his return.

(c) The return must be filed with the City Treasurer, City-County Building, Pittsburgh, Pennsylvania 15219.

(d) If the taxpayer is an individual, he shall sign the return. If the taxpayer is a corporation or unincorporated entity, a Director, President, Trustee or Officer may sign the return.

(e) If a taxpayer maintains more than one location in Pittsburgh, he is required to file only one (1) return and may include therein the receipts from transactions occurring in all his locations in Pittsburgh. Where one (1) return covers more than one (1) location, a schedule shall be attached to the return showing the various locations at which the taxpayer conducts business in Pittsburgh.

Section 202. — Payment of Tax.

Payment of tax may be made in cash, or by check or money order drawn to the order of the Treasurer of the City of Pittsburgh. Cash payments must be made only to a cashier in the Department of Treasurer, City-County Building, Pittsburgh, Pennsylvania.

Section 203.—Tax Rate.

The rate of tax is six (6) mills on each dollar of annual receipts. (Six mills equals \$6.00 per \$1,000 or 6/10 of 1%). In no event may the rate of tax on proprietors of restaurants and other places where food, drink and refreshments are served exceed two (2) mills on each dollar of annual receipts. 53 P.S. § 6924.311(2). (Two mills equals \$2.00 per \$1,000 or 2/10 of 1%).

Section 204. – Penalties and Interest.

If the tax is not paid when due, interest at the rate of one percent (1%) per month shall be added to the amount of the tax. In addition, a penalty of one-half of one percent (0.5%) of the amount of the unpaid tax or each month or fraction thereof, during which the tax remains unpaid, shall be added and collected.

ARTICLE III
TAXABILITY

Section 301.—Period Used in Calculating the Tax.

(a) The tax is measured by the amount of service transacted by the Taxpayer or Institution during the entire receding calendar year, except for those taxpayers:

- (1) who were not in service during the whole of the preceding calendar year, or
- (2) who began services during the current calendar year, or
- (3) whose service is temporary, seasonal or itinerant.

(b) Every person subject to the tax imposed by this Ordinance, who has commenced its service at least one (1) full year prior to the beginning of any tax year shall, on or before the fifteenth (15th) day of April , following and annually thereafter, file with the Treasurer, a return setting forth the name, the service rendered, the person or Institution address and such other information as may be necessary, in arriving at the annual gross volume of services transacted by it during the preceding year and amount of tax due.

(c) Every person or Institution subject to the tax imposed by this Ordinance, who has commenced its service less than one (1) full year prior to the beginning of the tax year shall, on or before the fifteenth (15th) day of April, following, file with the Treasurer a return and compute its annual gross receipts, for such tax year upon the gross receipts generated by the services transacted within the City during the first month it engages in such service activity multiplied by twelve (12).

(d) Every person subject to the tax imposed by Ordinance, who commences, subsequent to the beginning of the tax year, shall within forty days from the date of commencing such service, file a return with the Treasurer setting forth the name, the service rendered, the institution address and such other information as may be necessary in arriving at the actual volume of services transacted by it during the first month of service and amount of tax due.

(e) Every person or Institution subject to the payment of the tax imposed by this Ordinance who engages in a service temporary, seasonal or itinerant by its nature shall, with seven (7) days from the day it completes such service, file a return with the Treasurer setting forth its name, service, the person or Institution address and such other information as may be necessary in arriving at the actual gross volume of service, during the tax period and the amount of tax due.

Section 302. – Taxable Gross Receipts

(a) Cash, credits, property of any kind or nature received in or allocable to The City from any Institution by reason of any transaction or any service rendered without deduction therefrom on account of property sold, materials used, labor, service or other cost, interest or discount paid, or any other expense.

(1) Includes payments from insurance or other third-party payments for the cost of service. All forms of government third-party payments, income or grants for Service, received by the Institution such as Medicare, Medicaid and General Assistance receipts, are subject to tax.

(2) Excludes Exempt Receipts or receipts of Exempt Institutions.

(b) To assist in the review of Taxable Gross Receipts, the taxpayer shall attach a duplicate of any Form 990-T filed with the Internal Revenue Service for the most recent period.

ARTICLE IV
DETERMINATION OF TAX BASE

Section 401. — Inclusions.

The tax is imposed on every person engaging in any Institutional or non-profit Service in the City of Pittsburgh. The tax is not imposed on Exempt Institutions.

Section 402. – Pittsburgh Receipts.

(a) General. Except for receipts associated with interstate commerce, receipts from any transaction shall be attributable to Pittsburgh, if any event forming a part of the transaction occurs within Pittsburgh or the taxpayer's only office is located within the City and the Service is offered from a Pittsburgh location.

(b) Any receipts arising from Institutional on non-profit service to the general public or any select or limited number thereof, is taxable if a charge is made. Intrastate receipts from services which are the result of business activities carried on through a branch office located outside Pittsburgh, are taxable if such services are performed in Pittsburgh if the service is offered from the City.

(c) Persons engaging in any Institutional or non-profit service be it professional, commercial, or personal services, are subject to the tax. If a person engaging in any Institutional or non-profit service only maintains a place of business in the City of Pittsburgh, the entire receipts from intrastate activity in the Commonwealth from personal services must be included in the measure of the tax, whether or not the services are performed in Pittsburgh. Receipts will be deemed attributable to Pittsburgh, if they result from the efforts of employees who work in, or from or are attached to taxpayer's Pittsburgh place of business. If any taxpayer is subject to Privilege tax in two or more jurisdictions in Pennsylvania, he may request a ruling from the Treasurer to address the issue of potential double taxation.

(d) Receipts associated with interstate commerce shall be apportioned to the City by multiplying total receipts earned everywhere times the City Apportionment percentage. The **City Apportionment percentage** is the sum of the following three apportionment factors: Payroll Percentage factor, Property Percentage factor, and Sales Percentage factor, divided by three. If one of the percentage factors is zero, the denominator shall be two. If two of the percentage factors are zero, the dominator shall be one. In no event can a percentage factor be less than zero.

(1) The **Payroll Percentage factor** shall be payroll reported by the taxpayer subject to City local earned income tax divided by total payroll reported on Federal Form 940. If the taxpayer only has one office in the Commonwealth and that office is in the City, the numerator of the Payroll percentage factor shall be total payroll reported to the Pennsylvania Department of Revenue.

(2) The **Property Percentage factor** shall be the sum of tangible property located in the City divided by the sum of tangible property located everywhere in the United States, determined as of December 31. Property shall be recorded at its original cost before any depreciation, amortization, or cost depletion. Leased property

shall be recorded as an item of tangible property at eight (8) times annual rent for the leased property. Movable property is in the City if it is in the City on December 31 of the calendar year. If the taxpayer only has one office in the Commonwealth and that office is in the City, the numerator of the Property percentage factor shall be sum of tangible property located in the Commonwealth.

(3) The **Sales Percentage factor** shall be gross receipts from Services provided in the City or offered from a City location divided by gross receipts everywhere. If additional guidance is required with regard to the definition of Sales, the taxpayer shall follow the practice of the Pennsylvania Department of Revenue under the Corporate Net Income Tax provisions of the Tax Reform Act, 72 P.S. § 7401, so long as such practice is not inconsistent with the purposes of the Privilege Tax.

(4) A taxpayer is engaged in interstate commerce if it is subject to tax in another jurisdiction, outside the Commonwealth, on its net income or on its gross receipts. A taxpayer can show it is subject to tax in another jurisdiction by providing copies of tax returns filed with taxing jurisdictions outside the Commonwealth. If intrastate receipts are co-mingled with interstate activity, all receipts shall be considered interstate receipts.

(5) If the application of the City apportionment percentage results in the same gross receipts of the Taxpayer being taxable, for gross receipts or privilege tax purposes, by two or more jurisdictions in the United States, the Taxpayer may approach the Treasurer for a ruling to avoid this double taxation, such as receiving a credit for gross receipts or privilege taxes paid elsewhere, or by a modification of the City apportionment percentage. No credit will be granted by the City for net income taxes, excise taxes, or transaction taxes paid to another jurisdiction.

ARTICLE V
SUITS FOR COLLECTION, PENALTIES, ETC.

Section 501. — Suits for Recovery of Unpaid Taxes.

(a) The following periods of limitations shall apply to suits for collection of taxes.

(1) When a return has been filed but no tax paid, any suit brought to recover the tax due and unpaid shall be filed within three (3) years after the return was due or filed, whichever is later. Where no return was filed, there shall be no limit to file suit for the collection of taxes.

(2) In the case of a deficiency assessment, suit shall be filed within three (3) years after the assessment has been made.

(b) The limitations set forth in paragraph (a) shall not prevent the institution of a suit for the collection of any tax due or determined to be due in the following cases:

(1) When no return was filed, there is no limitation.

(2) When the return is fraudulent, there is no limitation.

(3) When there is an understatement of tax liability of twenty-five (25%) or more, and not due to fraud, suit must be begun within six (6) years.

(4) A return filed before the due date is deemed to be filed on the due date.

Section 502. — Penalty and Interest for Non-payment.

(a) If, however, any Taxpayer shall fail to make any report and payment as herein required a penalty at the rate of one-half of one percent (0.5%) per month for each month or a fraction of a whole month on the amount of tax and interest of one (1%) percent per month for each month or fraction of a whole month during the period in which the tax remains unpaid shall be added to the tax. In no event shall the interest rate assessed exceed the maximum rate allowed by the Municipal Claims and Tax Liens Act, 53 P.S. §7143, or applicable law.

(b) There is no limit or cut off point, for applying penalty and interest.

(c) On any additional tax determined to be due as a result of a deficiency assessment, penalty and interest will be assessed from the day the tax should have been paid to the date of payment. Penalty and interest is calculated as described above.

(d) Where suit is brought for the recovery of such tax, the person liable therefore shall, in addition, be liable for the costs of collection and the interest and penalties herein imposed. Once due and owing, penalty and interest become part of the tax and shall be collected as such. A person's belief that no tax is due and owing, or the failure of any person to receive or obtain the forms required for making the returns required under the City Code is not a valid defense to the imposition of penalties herein for violation. Good faith shall not be a defense to the imposition of penalty.

Section 503. – Fines and Penalties for Violation of Act.

(a) Whoever willfully makes any false or untrue statement on the return shall, upon summary conviction thereof, be sentenced to pay a fine of not more than five hundred dollars (\$500.00) or to undergo imprisonment for not more than thirty (30) days.

(b) Whoever willfully fails or refuses to appear before the Treasurer, in person with his books, records or accounts for examination when required under the provisions of the Institution and Service Privilege Tax Ordinance, to do so, or who willfully refuses to permit inspection of the books, records or accounts of any services in custody or control, when the right to make such inspection by the Treasurer is requested, shall upon summary conviction thereof, be sentenced to pay a fine of not more than Five Hundred Dollars (\$500.00), or to undergo imprisonment for not more than thirty (30) days.

(c) Whoever willfully fails or refuses to file a return required by the Institution and Service Privilege Tax Ordinance, shall, upon summary conviction thereof, be sentenced to pay a fine of not more than Five Hundred Dollars (\$500.00), or undergo imprisonment for not more than thirty (30) days.

Section 504. – Remedies Not Mutually Exclusive

The remedies provided in this Article are not mutually exclusive. The utilization by the Treasurer of one remedy does not preclude utilization of the other.

Moreover, use of either or both of the remedies provided in these Sections does not preclude the use by the City of Pittsburgh of any other legal or administrative procedure which can bring about compliance by the Taxpayer with the provisions of Chapter 241 of the Pittsburgh Code and these regulations.

Once it has been determined that that a Taxpayer owes a tax, the Treasurer will take all actions legally permitted to enforce its claim. Such action may include obtaining additional information, auditing Taxpayer records, entering into a settlement of the disputed amount of the tax, or obtaining liens on the Taxpayer's property, wage attachments, levies, and seizures and sales of the Taxpayer's property in appropriate circumstances. The Treasurer may enter into a written agreement with the Taxpayer for payment of the tax in installments if the Treasurer believes that such an agreement will facilitate collection. The Treasurer may also impose interest and applicable penalties on the tax due, and may seek criminal charges in appropriate circumstances.

ARTICLE VI

TAXPAYER REMEDIES

Section 601. – Treasurer (Director) Hearings

(a) Any taxpayer aggrieved by an assessment by the Treasurer shall, within ninety (90) days after the date of notice of the assessment, request a Treasurer's Hearing on a form obtained from the Treasurer for that purpose. 53 Pa.C.S. § 8431. The Treasurer may on his/her own initiative cite a Taxpayer for a hearing.

(b) Any taxpayer who fails to request a Treasurer's Hearing within a timely manner, waives the right to contest any element of the assessment, and that party's failure to challenge the Treasurer's adjudication will be construed as an admission by that party as to the propriety of the assessment.

(c) The written petition for reassessment shall contain at minimum:

1. The petitioner's name, address, and daytime telephone number.
2. The petitioner's account and/or social security number.
3. A copy of the assessment notice the party received from the Finance Department.
4. A detailed explanation consisting of the reason or reasons the petitioner disagrees with the assessment and any documentation necessary to support the petitioner's claims.
5. Petitioner's signature.

(d) The completed petition should be mailed to:

TREASURER HEARINGS
TREASURER – CITY OF PITTSBURGH
414 GRANT ST
PITTSBURGH PA 15219-2476

(e) Any taxpayer may request a Treasurer's Hearing so that his tax refund request can be reviewed.

(f) The Treasurer will abate any penalties and interest only in accordance with 53 Pa.C.S. § 8428.

(g) The Treasurer will issue its decision within 60 days of the receipt of the petitioner's complete and accurate petition form.

Section 602. – Appeals

Any person aggrieved by the decision of the Treasurer, following a hearing, shall have the right to make an appeal to the Court of Common Pleas of Allegheny County, in accordance with the Taxpayer's Bill of Rights Act. 53 Pa.C.S. § 8434. Any appeal must be commenced within thirty (30) days of the date of the notice of the Treasurer's decision. If no such appeal is timely filed, the aggrieved party waives his/her right to contest any element of the Treasurer's adjudication, and that party's failure to challenge

the same will be construed as an admission by that party as to the propriety of the Treasurer's decision. No hearing or appeal will operate to suspend the accrual of penalty and interest from the date the tax was due to the date it is actually paid.

Section 603. – Payment Under Protest

The Treasurer will accept payments of disputed tax amounts under protest pending appeals; however, any request for refund of such monies must be filed in accordance with Section 604.

Section 604. — Refunds.

(a) A Taxpayer who has overpaid the Privilege Tax, or who believes he/she is not obligated to remit the Privilege Tax may file a written request on an amended tax return with the Department of Finance for a refund or a credit of the tax. A request for refund or a credit shall be made within three (3) years of the due date for filing the report or one (1) year after actual payment of the tax, whichever is later. If no report is required, the request shall be made within three (3) years after the due date for payment of the tax or within one (1) year after actual payment of the tax, whichever is later.

(b) For amounts paid as a result of a notice asserting or informing a Taxpayer of an underpayment, a written request for a refund shall be filed with the Department of Finance within one (1) year of the date of the payment.

(c) Every person or institution who ceases to carry on services during any tax year after having paid the Institution and Service Privilege Tax for the entire year shall, upon making proper application to the Treasurer, be entitled to receive entitled to receive a refund of the prorated amount of the tax paid based upon the period of time he was not in service during the license year. In the event that a person who discontinues services during any tax year does so before payment of its tax becomes due for such tax year, it shall be permitted to apportion its tax for such tax year and shall pay an amount to be computed by multiplying its gross receipts for the preceding full calendar year by a fraction whose numerator shall be the number of months such person or institution was in service during the tax year and whose denominator shall be twelve (12).

Section 605. – Installment Payment Plan For Any Deficiency

In the appropriate circumstances, the Treasurer will enter an installment payment plan and defer further collection action, if the Taxpayer enters into a written agreement with the Treasurer. The Treasurer will approve installment payment plans only if such a plan is in the best interests of the City. The Taxpayer must specifically request the installment payment plan from the Treasurer. For the required terms of any installment plan See, Second Class City Treasurer's Sale and Collection Act, 53 P.S. § 27207 and Local Taxpayer Bill of Rights, 53 Pa.C.S. § 8436. If the Taxpayer fails to abide by the terms of the installment payment plan, the Treasurer may demand immediate payment of tax, penalty, and interest.

ARTICLE VII
SAVINGS CLAUSE AND SEVERABILITY

Section 701. – Savings Clause and Severability.

If a final decision of a court of competent jurisdiction holds any provision of these regulations, or the application of any provision to any circumstances, to be illegal or unconstitutional, the other provisions in these regulations, or the application of such provision to other circumstances, shall remain in full force and effect.

The intent of the Treasurer is that the provisions of these regulations shall be severable and that they would have been adopted if any such illegal or unconstitutional provisions had not been included herein.

Section 702. – Disclosure Statement

A copy of the Taxpayer Bill of Rights can be requested in writing at the address below or downloaded at http://apps.pittsburghpa.gov/finance/10_taxpayers_bill_of_rights.pdf

TREASURER, CITY OF PITTSBURGH AUDIT SECTION
414 GRANT ST RM 206
PITTSBURGH PA 15219-2476