

**Act 32 Key Dates and Timeline**

[Important notes: (1) This is merely a general timeline; a more detailed timeline of specific steps will also be required. (2) If the TCC decides to create a tax bureau, many additional steps will be required. This general timeline does not address the separate issues associated with creating a tax bureau. (3) This document is a work in process that will be modified from time to time. (4) The KKAG Detailed Legal Analysis explains the various law changes, steps, and other requirements in greater detail.]

<b>Pre-TCC Stage – 2008/2009</b>	<b>Advance Planning for TCC Process</b>
<b>July 2, 2008</b>	Chapter 3 general tax law provisions and Chapter 7 delinquent tax collection provisions effective (mostly a reenactment with minimal changes of prior LTEA)
<b>January 1, 2009</b>	<p><i>Taxing authorities should begin advance planning for TCC governance/first meeting/chairperson selection/other initial decisions</i> (Advance planning is necessary to simplify what will otherwise be a cumbersome TCC process. One or more individuals will need to form a planning group and assume a leadership role in each geographic area in order to facilitate advance planning. In addition, PASBO and other organizations representing school districts and municipalities should identify steps that can be taken to save TCC expense and facilitate the TCC process. In this regard, PASBO is already in the process of planning advance preparation of standard documents that will be needed by all TCCs. Consideration should also be given to sponsorship of joint purchase programs to satisfy common TCC needs such as insurance. Collaboration between school districts and municipalities will be important on all of these points.)</p> <p>Tax collectors should begin planning to update technology and take other steps to implement Act 32 requirements</p>
<b>January 28, 2009</b>	DCED deadline to publish TCD map and list
<b>February/March 2009</b>	Taxing authorities should appoint TCC voting delegates and alternates (Although the deadline is 9/15/09, earlier appointment is recommended to facilitate TCC advance planning.)
<b>May 1, 2009</b>	TCC delegates and alternates deadline to file Ethics Act Statement of Financial Interests with TCC for prior calendar year (if appointed before May 1)
<b>July 1, 2009</b>	Lancaster County taxing authorities deadline to adopt resolutions choosing whether to continue to collect EIT through the Lancaster County Tax Collection Bureau
<b>September 1, 2009</b>	DCED deadline to publish weighted vote for each taxing authority within each TCD (Hopefully, DCED will do so well in advance of September 1 to facilitate TCC advance planning.)

Source: Kegel Kelin Almy & Grimm LLP, Act 32 Analysis

<p><b>TCC First Stage – Year #1 – 2009/2010</b></p>	<p><b>TCC Organization and Tax Collection Decision</b></p>
<p><i>September 15, 2009</i></p>	<p><i>Taxing authorities deadline to appoint TCC voting delegates and alternates</i> (Although the deadline is 9/15/09, earlier appointment is recommended to facilitate TCC advance planning.) County Commissioners Chair notifies taxing authorities of TCC first meeting</p>
<p><b>October 26</b> (21 days before TCC meeting)</p>	<p>County Commissioners Chair gives public notice of TCC first meeting</p>
<p><i>November 15, 2009</i></p>	<p><b><i>TCC first meeting deadline</i></b></p> <ul style="list-style-type: none"> <li>➤ <b><i>County Commissioner Chair or designee convene meeting</i></b></li> <li>➤ <b><i>Must elect chairperson, vice chairperson, secretary</i></b> (and possibly other officers)</li> <li>➤ <b><i>Should elect legal counsel</i></b></li> <li>➤ <b><i>Should adopt bylaws</i></b> – if possible based on advance planning (In the absence of advance planning, bylaw adoption will need to be deferred to a later meeting, but should be done ASAP.)</li> </ul>
<p><b>After officer election and bylaw adoption/ before tax collector appointment</b></p>	<p>TCC takes the following steps:</p> <ul style="list-style-type: none"> <li>➤ TCC management structure decisions <ul style="list-style-type: none"> <li>○ Who will be the leader/chief operating officer to lead and make sure all required TCC steps occur and all TCC responsibilities are fulfilled?</li> <li>○ Is an employee required?</li> </ul> </li> <li>➤ TCC finance decisions <ul style="list-style-type: none"> <li>○ TCC budget</li> <li>○ TCC financing mechanism</li> <li>○ TCC auditor</li> <li>○ TCC bank</li> <li>○ Tax collection cost allocation plan</li> </ul> </li> <li>➤ TCC insurance decisions</li> <li>➤ Decision on TCC jurisdiction over LST and other taxes</li> <li>➤ Decision on single-county or multi-county TCC</li> <li>➤ Study income tax collection options</li> <li>➤ Decision on tax bureau vs. third party collector</li> <li>➤ Appoint new tax appeal board</li> <li>➤ Adopt mandatory and other policies <ul style="list-style-type: none"> <li>○ Right-to-Know records policy/appoint Open Records Officer (priority – 2009)</li> <li>○ Investment policy</li> <li>○ Tax records policy</li> <li>○ Tax collector investment income distribution policy</li> <li>○ Tax collector unidentified funds rules</li> <li>○ Regulations, policies, and procedures for tax administration</li> </ul> </li> <li>➤ If tax will be collected by independent third party tax collector, prepare tax collector RFP and conduct RFP process (As part of</li> </ul>

	<p>this process, the TCC must develop the formal written Act 32 Tax Collection Agreement and address the many important issues to be addressed therein, including bonding rules.)</p> <ul style="list-style-type: none"> <li>➤ Decision on whether to accelerate universal non-resident withholding requirement to date earlier than January 1, 2012</li> <li>➤ Department of Revenue information exchange agreement</li> </ul>
<b>December 31, 2009</b>	DCED deadline to provide a report to TCCs including sample bylaws, sample tax collector RFP, and also existing effective practices, methods, procedures and risk management strategies. (Hopefully, DCED will provide most of this information far in advance of September 1, since TCC bylaw adoption should be one of the very first TCC steps.) Section 509(d)(1) also mandates DCED to establish tax collector bond and security guidelines. (Although no deadline is established, hopefully DCED will provide these guidelines by December 31, 2009 for use in connection with the tax collector selection process.)
<i>April 15, 2010</i>	<b><i>TCC deadline to adopt bylaws</i></b> (In fact, it will be important to adopt bylaws far in advance of this date.)
<i>June 1, 2010</i>	<b><i>TCC deadline to establish new Tax Appeal Board</i></b>
<i>September 15, 2010</i>	<b><i>TCC deadline to appoint county-wide tax collector</i></b> (should also sign new, written Act 32 Tax Collection Agreement by this date) (effective 01/01/11 or 01/01/12)
<b>September 25, 2010</b>	TCC deadline to notify DCED of tax collector appointment and contact information
<b>TCC First Stage – Year #2 – 2010/2011</b>	<b>Transition to New Act 32 Tax Collector</b>
<b>November 1, 2010</b>	Taxing authority deadline to decide whether its current tax collector or the new Act 32 tax collector will collect 2011 tax
<b>December 1, 2010</b>	Taxing authority deadline to notify DCED of tax collector for 2011 tax
<b>December 31, 2010</b>	Although no statutory deadline, DCED should provide mandated tax return and other forms, regulations and guidelines by this date in order to facilitate effective transition mandated starting one year later.
<i>May/June 2011</i>	<b><i>School districts adopt new EIT or PIT resolutions effective January 1, 2012</i></b>
<b>July 1, 2011</b>	TCC deadline to adopt and begin implementing transition plan for transferring responsibilities to new Act 32 tax collector and implementing Act 32 tax law changes
<i>November/December 2011</i>	<b><i>Municipalities adopt new EIT or PIT ordinances effective January 1, 2012</i></b> (might want to accelerate to earlier date)

<b>TCC Second Stage – 2012 and Future Years</b>	<b>New Tax Law/TCC Tax Collection Oversight</b>
<b>January 1, 2012</b>	<p><b>Act 32 county-wide collection begins</b></p> <p><b>Act 32 income tax law changes effective</b>, including:</p> <ul style="list-style-type: none"> <li>➤ Change in law on business losses/military service</li> <li>➤ Mandatory quarterly estimated returns for individuals</li> <li>➤ New tax return and other forms</li> <li>➤ Universal non-resident withholding</li> <li>➤ Multi-site employer option to pay in one county</li> <li>➤ Tax collector monthly distributions; prohibition on estimated distributions</li> <li>➤ Tax collector claim/interest payment rules</li> <li>➤ New tax appeal board</li> <li>➤ Second stage of TCC responsibilities begins, involving oversight of county-wide tax collection arrangements and periodic decisionmaking on continuing or changing arrangements</li> </ul>
<b>June 30, 2012</b>	Former LTEA tax collector deadline to turn over tax records to new Act 32 tax collector. Delinquent income tax from 2011 or prior years become responsibility of new tax collector, except to the extent a taxing authority has made other provisions for the collection of delinquent taxes.
<b>Future Annual Requirements</b>	
<b>Within 30 days</b>	TCC file with DCED notice of election of any new officers within 30 days of election
<b>May 1</b>	TCC delegates deadline to file Ethics Act Statement of Financial Interests with TCC
<b>July 1</b>	DCED deadline to annually recalculate taxing authority weighted vote
<b>September 1</b>	TCC deadline to file tax collector financial statement/ auditor report for prior calendar year with taxing authorities and DCED
<b>By December 31</b>	<ul style="list-style-type: none"> <li>➤ School district and municipality annual appointment of TCC delegates</li> <li>➤ TCC annual election of officers</li> <li>➤ TCC selection of TCC auditor for next calendar year</li> <li>➤ TCC deadline for approval of auditor for tax collector records for next calendar year</li> <li>➤ TCC deadline to establish tax collector bond amount for next calendar year (This step should be taken earlier in the year within a reasonable time after receipt and review of the tax collector audited financial statements reflecting prior year tax collections.)</li> </ul>