



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF REVENUE
HARRISBURG, PENNSYLVANIA
17128-1100

THE SECRETARY

(717) 783-3680

February 26, 2020

The Honorable Clint Owlett
House of Representatives
52-A East Wing
Harrisburg, PA 17120

Dear Representative Owlett:

During our House Appropriations Budget Hearing on February 18, 2020, you raised questions regarding the number of audits conducted by the Department of Revenue and the revenue generated from those audits. While we provided some context in-person, additional follow-up was needed. This letter is in response to those questions and the follow-up memo from your office sent to the department on February 19th. The information contained herein is also included in our response letter, which is forthcoming to the House Appropriations Committee.

Specifically, you requested the number of audits conducted by the department for fiscal years 17-18, 18-19, and 19-20, the counties in which the audits were conducted, and the total amount of revenues collected from those audits. In order to respond to your request quickly, we have provided the amounts assessed as a result of the audit rather than the amount paid. Providing payment information related to these audits would require a time-consuming manual review of the accounts involved.

As you review the data enclosed, you will notice data has been withheld for several counties in various fiscal years. This data has been withheld to prevent the disclosure of confidential taxpayer information. Providing this information for smaller counties risks breaching taxpayer confidentiality in that it could potentially allow the identification of audited entities. The totals include all amounts.

I would also note that all of the dollar amounts are net of positive and negative amounts. Some audits result in an adjustment in the taxpayer's favor if the auditor finds that tax has been overpaid and a refund is due. Some of the county totals in the table are negative due to large refund audits.

I hope that you find this information to be helpful. If you have questions or need additional information, please feel free to contact our Legislative Director Andrew Moser at 717-783-4024 or anmoser@pa.gov.

Sincerely,

C. Daniel Hassell
Secretary of Revenue

Enclosures

cc: Honorable Stan Saylor, Majority Chairman, House Appropriations Committee

Department of Revenue – Audit Data Request

Please note the data for the “2019-20” columns are from 7/1/2019 through 2/18/2020.

County	2017-18 Audits	2017-18 Assessments	2018-19 Audits	2018-19 Assessments	2019-20 Audits	2019-20 Assessments
Adams	13	\$ 226,349	9	\$ 72,316	5	\$ 29,096
Allegheny	203	\$ (5,998,719)	193	\$ 18,151,641	89	\$ 6,333,918
Armstrong	4	\$ 48,842	8	\$ 250,916	5	\$ (188,016)
Beaver	17	\$ 271,749	10	\$ 330,457	12	\$ 183,502
Bedford	9	\$ 88,270	13	\$ 178,563	4	\$ 2,017,025
Berks	116	\$ 1,864,107	103	\$ 3,236,428	63	\$ 745,178
Blair	25	\$ 387,664	25	\$ 1,089,282	10	\$ 221,724
Bradford	18	\$ 101,836	10	\$ 43,927	6	\$ 17,632
Bucks	89	\$ 1,354,609	97	\$ 2,315,897	42	\$ 1,096,792
Butler	38	\$ 6,625,722	29	\$ 8,549,502	19	\$ 629,193
Cambria	30	\$ 466,532	19	\$ 630,088	7	\$ 111,871
Cameron	3	\$ 8,634				
Carbon	15	\$ 94,713	13	\$ 116,143	5	\$ 44,453
Centre	42	\$ 2,876,989	25	\$ 818,115	14	\$ 971,189
Chester	60	\$ 8,830,225	57	\$ 7,769,610	24	\$ 395,378
Clarion	7	\$ 94,567	8	\$ 102,220	5	\$ 118,292
Clearfield	12	\$ 1,082,042	11	\$ 140,524	**	**
Clinton	12	\$ 147,778	7	\$ 157,164	9	\$ 49,734
Columbia	12	\$ 762,168	27	\$ 6,628,160	8	\$ 439,829
Crawford	20	\$ 277,967	27	\$ 146,655	17	\$ 186,042
Cumberland	43	\$ 949,183	39	\$ 917,679	26	\$ 4,162,486
Dauphin	50	\$ 2,391,625	38	\$ 1,149,615	25	\$ 772,930
Delaware	56	\$ 888,514	43	\$ 1,606,774	26	\$ 696,266
Elk	**	**	8	\$ 172,305	4	\$ 126,507
Erie	135	\$ 1,138,286	92	\$ 1,142,654	69	\$ 598,326
Fayette	30	\$ 590,939	22	\$ 4,415,783	13	\$ 837,516
Forest	**	**			**	**
Franklin	14	\$ 119,510	19	\$ 464,239	7	\$ 176,819
Fulton	**	**	**	**		
Greene	6	\$ 256,751	11	\$ 36,261	**	**
Huntingdon	4	\$ 12,505	5	\$ 8,610	**	**
Indiana	21	\$ 1,167,310	17	\$ 757,539	6	\$ 96,727
Jefferson	8	\$ 907	7	\$ 105,231		
Juniata	**	**	3	\$ 47	3	\$ 8,956
Lackawanna	69	\$ 610,972	65	\$ 447,022	61	\$ 496,339
Lancaster	57	\$ 1,466,147	75	\$ 3,615,277	36	\$ 1,810,677
Lawrence	14	\$ 201,457	7	\$ 23,476	10	\$ 180,121
Lebanon	17	\$ 90,982	28	\$ 656,926	7	\$ 237,631
Lehigh	103	\$ 3,007,862	81	\$ 1,041,713	51	\$ 742,692
Luzerne	100	\$ 1,816,570	100	\$ 1,379,922	42	\$ 556,341
Lycoming	34	\$ 270,989	29	\$ 528,737	25	\$ 390,680

County	2017-18 Audits	2017-18 Assessments	2018-19 Audits	2018-19 Assessments	2019-20 Audits	2019-20 Assessments
McKean	8	\$ 91,125	7	\$ 44,363	13	\$ 190,978
Mercer	29	\$ 291,015	25	\$ 806,521	22	\$ 444,300
Mifflin	4	\$ 352,701	3	\$ 1,968	**	**
Monroe	36	\$ 248,438	21	\$ 268,624	26	\$ 675,741
Montgomery	143	\$ 6,969,695	142	\$ 13,282,876	79	\$ 2,610,272
Montour	6	\$ 100,489	6	\$ (187,899)	4	\$ 24,052
Northampton	78	\$ 1,002,689	91	\$ 2,011,566	54	\$ 888,661
Northumberland	16	\$ 77,344	25	\$ 2,887,520	22	\$ 334,932
Perry	7	\$ 118,608	4	\$ 269,075		
Philadelphia	78	\$ 3,565,087	126	\$ 8,902,327	64	\$ 9,090,451
Pike	15	\$ 192,517	8	\$ 150,191	11	\$ 74,813
Potter	**	**	9	\$ 90,028	3	\$ 9,038
Schuylkill	51	\$ 558,523	28	\$ 455,391	15	\$ 118,305
Snyder	13	\$ 66,512	10	\$ 137,933	5	\$ 25,854
Somerset	9	\$ 8,524	11	\$ 193,272	3	\$ 180,541
Sullivan	**	**	**	**	**	**
Susquehanna	12	\$ 126,302	11	\$ 119,614	8	\$ 57,914
Tioga	16	\$ 167,223	9	\$ 232,371	6	\$ 7,489
Union	11	\$ 226,003	16	\$ 195,026	10	\$ 74,521
Venango	7	\$ 26,324	11	\$ 6,389	5	\$ 12,152
Warren	17	\$ 83,570	11	\$ 50,680	9	\$ 505,319
Washington	50	\$ (4,766,507)	27	\$ 1,833,549	22	\$ 475,592
Wayne	9	\$ 17,853	15	\$ 287,786	14	\$ 68,048
Westmoreland	32	\$ 1,024,064	36	\$ 1,274,636	22	\$ 1,446,728
Wyoming	5	\$ 20,415	5	\$ 304,304	**	**
York	31	\$ 1,868,068	43	\$ 472,844	31	\$ 444,376
Blank	28	\$ 389,091	8	\$ (1,675,734)	6	\$ 111,960
Out of State	569	\$ 315,720,776	478	\$ 413,839,562	204	\$ 141,644,775
Totals:	2,796	\$ 363,190,824	2,569	\$ 515,470,974	1,422	\$ 185,243,008

** Data deleted to prevent disclosure of confidential taxpayer information. The totals include all amounts.

Total Assessments Breakdown			
	FY 2017-18	FY 2018-19	FY 2019-20
Sales Tax Audits	\$ 118,879,154	\$ 187,181,125	\$ 87,524,334
All Other	\$ 244,311,670	\$ 328,289,848	\$ 97,718,674
Total Assessed:	\$ 363,190,824	\$ 515,470,974	\$ 185,243,008