

CITY OF BETHLEHEM

LOCAL TAXPAYERS BILL OF RIGHTS DISCLOSURE STATEMENT

It is the obligation of all taxpayers in the City of Bethlehem to file all tax returns voluntarily and pay all local business taxes to which they are subject. However, when the City of Bethlehem Tax Bureau (hereafter "Tax Bureau") determines that a required tax return has not been filed, or a tax liability has not been paid, the Local Taxpayers Bill of Rights Act (65 P.S. §§ 8421-8438) grants certain legal rights to taxpayers, and imposes obligations on local taxing authorities to ensure that equity and fairness guide local governments in the collection of taxes. Additionally, the Local Taxpayers Bill of Rights Act provides local taxing authorities with certain methods to enforce taxpayer obligations. This Disclosure Statement sets forth your rights as a taxpayer in connection with any audit, examination, appeal or refund claim of taxes for City of Bethlehem and any enforcement or collection actions on behalf of the City.

To obtain forms and/or more information, please contact:

City of Bethlehem Tax Bureau
10 E. Church St.
Bethlehem, PA 18018
(610) 865-7022
cobtax@bethlehem-pa.gov

Applicability of Disclosure Statement

This Disclosure Statement applies to all eligible taxes levied by the City. For this purpose, eligible taxes do not include real property taxes. The specific eligible taxes levied by the City of Bethlehem are:

1. Mercantile Tax
2. Business Privilege Tax
3. Per Capita Tax
4. Earned Income Tax
5. Realty Transfer Tax
6. Amusement Tax
7. Local Services Tax (formerly known as Occupational Privilege Tax)

The failure of any person acting on behalf of the City to comply with any provisions of this Disclosure Statement, related regulations, or the Local Taxpayers Bill of Rights, will not excuse the Taxpayer from paying taxes that are owed.

Audits or Examinations

If we contact you about your tax return or payment of any eligible taxes, we will send you a letter with either a request for more information or a reason why we believe a change to your tax return or taxes is required. If we request information, you will have at least thirty (30) calendar days from the date of the mailing to respond. Reasonable extensions of time will be granted upon application in writing for good cause shown. We will notify you of the procedures to obtain an extension with our initial request for information. In general, our initial inquiry may include taxes required to be paid or tax returns required to be filed during the three (3) years prior to the mailing date of our notice. However, if you have failed to file tax returns in any of the six (6) years prior to the mailing date of our notice, or if we have sufficient information to indicate that taxes are owed and have not been paid in that period, our initial request for information may include tax returns or taxes due for up to six (6) years prior to the mailing date of our notice.

If you give us the requested information or provide an explanation, we may or may not agree with you. If we do not agree with you, we will explain in writing our reasons for asserting that you owe tax (which we call an “assessment” or “underpayment”). Our explanation will include: (1) the tax period or periods for which the underpayment is asserted; (2) the amount of the underpayment detailed by tax period; (3) the legal basis upon which we have relied to determine that an underpayment exists; and (4) an itemization of the revisions we have made to your tax return or report that resulted in our decision that an underpayment exists.

We may require you to provide copies of federal and Pennsylvania tax returns when that information is reasonably necessary for the enforcement or collection of tax and the information is not reasonably available from other sources. For purposes of Business Privilege and Mercantile Taxes, you will be required to provide your federal and or state tax returns because this information is not otherwise available to the City.

Appeals of Decisions

If we notify you that you owe more tax and you do not agree with our decision, you may appeal our decision by filing a Petition for Review by Local Tax Hearing Officer within ninety (90) days of the date of the mailing of the Assessment Notice. If we file a legal action against you to collect delinquent taxes and you did not file a Petition for Review by Local Tax Hearing Officer, you can still defend against the collection action. If you do file a Petition for Review by Local Tax Hearing Officer, the Petition must either be in our hands or postmarked by the U.S. Postal Service within this 90-day period.

The Petition must explain the legal basis for your position and include all supporting documents. The Petition form is available from the City of Bethlehem Tax Bureau. After your Petition is received, we will notify you of a hearing date, if you requested a hearing. A Decision by the Local Tax Hearing Officer, who is appointed by the City, will be made within sixty (60) days of the date your complete and accurate Petition is received, unless you waive the right to a decision within sixty (60) days. If you do not agree with the Decision of the Hearing Officer, you may appeal to the Court of Common Pleas.

Refunds

You may file a claim for refund ("Refund Claim") if you think you paid too much tax (also known as an "overpayment"). You must file the Refund Claim within three (3) years of the due date for filing the tax return, or one (1) year after actual payment of the tax, whichever is later. If no report or tax return is required for the tax, the Refund Claim must 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. If your Refund Claim relates to amounts paid as a result of a Notice asserting an underpayment of tax, your request for Refund Claim must be filed within one (1) year of the date of payment.

Refund Claims must be made on forms prescribed by the Tax Bureau and must include supporting documentation. You may obtain a form for your Refund Claim by contacting the Tax Bureau. You will be asked for certain information so that the Tax Bureau can determine whether you are entitled to a refund. If you do not provide such information, the Refund Claim will be deemed incomplete and will either be denied or not acted upon.

If you file a tax return showing an overpayment of tax, we will treat that as a request for refund unless you indicate otherwise. If we do not agree that you are entitled to a refund as shown on your tax return, you may file a Petition contesting the denial of the refund. The Petition must be filed within the same time limits that apply for a Refund Claim. Alternatively, you may file a Petition for Review by Local Tax Hearing Officer without first filing a Refund Claim. If you file a Petition and request a hearing, a hearing date will be set after your Petition is received. A Decision by the Hearing Officer will be made within sixty (60) days of the date your complete and accurate Petition is received.

Enforcement Procedures

Once it has been determined that you owe a tax, we will take any action we are legally permitted to take to enforce our claim and collect any taxes owed. Such action may include, but is not limited to, obtaining additional information from you, auditing your records, entering into an agreement with you as to the disputed amount of the tax, filing a criminal or civil complaint against you in court seeking fines or balances due, and obtaining municipal liens on your property, levies, and seizure and sale of your property in appropriate circumstances. We may enter into a written agreement with you for payment of the tax in installments if we believe that such an agreement will facilitate collection. We impose interest and applicable penalties on the tax you owe, and may also seek to have a court impose fines for non-compliance.

Tax Information Confidentiality

Information gained by us, or by the Local Tax Hearing Officer, or any person acting on our behalf, as a result of any audit, return, report, investigation, hearing, appeal or verification is confidential and will be kept confidential by the City except where the City has an official purpose for disclosure or is required by law, such as in the context of litigation, to disclose information.

Taxpayer Comments or Complaints

If you have a comment or complaint about any action relating to the City's taxes, please contact the City of Bethlehem Tax Bureau in writing at 10 E. Church St., Bethlehem, PA 18018.