pennsylvania
DEPARTMENT OF REVENUE

# PENNSYLVANIA PERSONAL INCOME TAX GUIDE

## CHAPTER 21: AMENDED RETURNS

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# CHAPTER 21: AMENDED RETURNS

## I. WHEN TO FILE AN AMENDED RETURN

### A. Refunds From Amended Returns

An amended Pennsylvania return can be filed and a refund requested if a taxpayer over-reported income or did not claim allowable credits or deductions. The taxpayer must complete and file an amended return within three years from the original due date or extended due date.

### B. Refund Limitations

If a taxpayer over-reported income or is entitled to credits or deductions not claimed and seeks a refund, the taxpayer must complete and file an amended return within three years from the original or extended due date. Filing an amended return to seek a personal income tax refund is appropriate in situations where a taxpayer is simply correcting a routine error, and when the three-year deadline for filing the amended return is not imminent. Additionally, filing an amended return does not stop the statute of limitations for filing tax refund petitions. If an amended return seeking a refund is denied or not acted upon by the department, a petition for a refund will only be considered by the Board of Appeals so long as it is filed within three years of the payment due date.

To pursue a personal income tax refund near the end of the three-year period from the payment due date or in a more complex scenario – any involving complicated factual, legal or policy issues that may require further documentation – taxpayers are encouraged to timely file a petition for refund with the Board of Appeals. A petition for refund must be filed within three years of the date the tax was paid, (generally the original due date of the return, unless tax was paid with a late filing or paid with the extended filing of the return) in order to be considered. See Pennsylvania Department of Revenue e-Services – Board of Appeals Online Petition Center for additional information or to file a refund petition electronically at **http://boardofappeals.state.pa.us**.

Refer to Miscellaneous Tax Bulletin 2008-01 Practice before the Board of Appeals (Board) pursuant to Article 27 of the Tax Reform Code (Act 119 of 2006).

### C. Underreported Income

If after a return is filed a taxpayer discovers the income was under-reported, credits were erroneously claimed, or deductions were not allowed, the taxpayer must correct the error within 30 days by completing and filing an amended return and paying the additional tax, plus penalty and interest. A summary of interest rates is available on *REV–1611, Notice of Interest Calculations*.

## II. HOW TO FILE AN AMENDED RETURN

### A. PA-40 Individual Income Tax Return

If after filing the PA-40 Individual Income Tax Return the taxpayer discovers an incorrect Pennsylvania tax return has been submitted to the department, the taxpayer must correct the return by filing an amended PA-40 Individual Income Tax Return.

To file an amended PA-40 Individual Income Tax Return use the appropriate return for the tax year you are correcting and clearly print *"AMENDED RETURN"* at the top. For the year 1997 and later, be sure to fill-in the amended oval at the top of the front side of the *PA-40, Individual Income Tax return* or *PA-40 EZ, Individual Income Tax return*. For all tax years, amended returns can be filed using a paper *PA-40, Individual Income Tax return*, regardless of the method used for filing the original return. However, for current tax years, amended returns can also be filed using padirectfile or state only efile through the date of the October filing deadline regardless of the method of filing the original return. After the October filing deadline, all amended returns must be filed using a paper *PA-40, Individual Income Tax return*, regardless of the method of filing the original return until the next tax year's returns are able to be received by the department.

Beginning with tax year 2011, *Schedule PA-40X,* must be submitted with an amended PA-40, Individual Income Tax return. Schedule PA-40X provides the taxpayer and the department with information about the amended return including the specific line changes, amounts of the changes and reason for the changes. Schedule PA-40X is not a return and cannot be filed without the amended PA-40, Individual Income Tax return.

As a result of the new schedule, the instructions for filing an amended return are different than those for earlier tax years. The instructions to file an amended return for tax years beginning in 2011 are as follows–

1. Fill in the Amended Return oval, and write *"AMENDED RETURN"* at the top of the PA-40 individual Income Tax Return.

2. Complete the Schedule PA-40X. Enter the amended amounts from Schedule PA-40X per the PA-40X instructions.

3. Calculate Line 11 amended total Pennsylvania-taxable income.

4. Calculate Line 12 amended Pennsylvania tax liability.

5. Enter Line 24 amended total payments and credits.

6. Complete Line 27 to report any adjusted penalty and interest to be included on the return.

7. **Do not** complete Lines 28 and 29. The department will properly calculate your amended total payment due or overpayment.

8. Complete Lines 30 through 36 to notify the department how to disperse your overpayment.

The department will take your original refund or payment into account when reviewing the amended PA-40, Individual Income Tax return. Be sure to sign your amended return and mail it with all explanations and attachments. Include only those schedules or statements that were amended. Do not include the original return or original schedules.

The instructions to file an amended return for tax years 2010 and prior are as follows–

1. Enter the amounts from the original return that you are not amending.

2. Enter the amended amounts. Explain the reason an amended return is being filed and include only the amended forms or schedules supporting the amended amounts.

2. Calculate the amended total Pennsylvania-taxable income.

4. Calculate the Pennsylvania tax liability. If a refund was received on the original return, add that amount to the Pennsylvania tax liability.

5. Calculate the total credits and payments. If tax was paid with the original return, add that payment to the total credits and payments.

6. Calculate the amended tax due or overpayment. If an overpayment, be sure to complete the lines designating the application of said overpayment.

The department will take the original refund or payment into account when reviewing the amended return. The amended return must be signed.

Amended returns should be mailed to one of the following addresses depending upon the type of return it is–

**If you owe tax:**
PA DEPT OF REVENUE
PAYMENT ENCLOSED
1 REVENUE PLACE
HARRISBURG PA 17129-0001

**If you overpaid:**
PA DEPT OF REVENUE
REFUND OR CREDIT REQUESTED
3 REVENUE PLACE
HARRISBURG PA 17129-0003

**If you neither owe nor overpaid:**
PA DEPT OF REVENUE
NO PAYMENT OR NO REFUND
2 REVENUE PLACE
HARRISBURG PA 17129-0002

## III. WHO MAY NOT FILE AN AMENDED RETURN

You may not file an amended return after the department issued an assessment if the amendment relates to the same taxable year and the same item of income or gain, deduction or loss involved in the assessment. In this case, you must either–

A. File a timely petition for reassessment with the Board of Appeals within 90 days of the mailing date of the assessment, or

B. Pay the assessment and file a petition for refund with the Board of Appeals within six months of the mailing date of the notice of assessment, billing notice, or other departmental document.

C. You may file the petition electronically by logging on to https://www.boardofappeals.state.pa.us or the taxpayer may order the petition form, *REV–65, Board of Appeals Petition Form* by calling the forms ordering telephone number. The *REV–65, Board of Appeals Petition Form* is also available on the department's website at www.revenue.state.pa.us.

Refer to Miscellaneous Tax Bulletin 2008-01 Practice before the Board of Appeals (Board) pursuant to Article 27 of the Tax Reform Code (Act 119 of 2006).

## IV. ORIGINAL RETURN FILED USING FED/STATE E-FILE, TELEFILE or PA DIRECT FILE

For the current tax year, amended returns may be e-filed through October 15 through the Fed/State e-File program. For non-current tax years, taxpayers must file a paper amended return, even if the taxpayer filed his or her original Pennsylvania tax return using Fed/State e-File, TeleFile, or pa.direct.file.