PRESS RELEASE



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New study ranks Pa. the nation's 'most improved' in terms of tax appeals climate

HARRISBURG, PA – The Pennsylvania Chamber of Business and Industry is pleased to report that the Council on State Taxation has ranked Pennsylvania as nation's most improved in terms of its tax appeals processes and administrative practices.

COST, the premier state tax organization representing taxpayers, is a nonprofit trade association consisting of more than 600 multistate corporations engaged in interstate and international business.

PA Chamber President Gene Barr credited Pennsylvania's improved ranking with tax appeals reforms that the PA Chamber has worked with lawmakers and the Corbett administration to implement over the last two years.

"These reforms have allowed for greater independence and transparency in the tax appeals process through the state Board of Finance and Revenue and the Board of Appeals, which have had a positive impact on Pennsylvania's business climate," Barr said.

The report, "The Best and Worst of State Tax Administration," is COST's fifth study that ranks the appeals systems and procedural elements in the 50 states and their impact on taxpayers' perceptions of fairness and efficiency.

In this year's scorecard, Pennsylvania earned the award for "Most Improved" for fair and efficient tax administration. The state shot up from the "D" grade and the "bottom states" ranking it had received in 2010 (the last time the scorecard was issued.) to an "A minus" and "top states" ranking.

The first significant tax appeals change that was made in 2012 allows the Board of Appeals to enter into compromises to tax appeals. This has resulted in streamlined decisions that curtail prolonged, expensive litigation while quickly bringing much needed revenue into the General Fund. Earlier this year, Act 52 addressed tax appeal process deficiencies that had long burdened job creators, and was the main reason Pennsylvania has been consistently ranked among the bottom of states. This new law restructured the Board of Finance and Revenue and made the tax appeals process fairer, more predictable and speedier.

"Pennsylvania's greatly improved tax appeals rating is just one of the many results of our work with lawmakers and the Corbett administration to make the Commonwealth's tax process fairer and more equitable for the state, business and all taxpayers," Barr said.

"We appreciate having helped make these long-fought Pennsylvania Chamber goals a reality, and are confident that they will simplify and streamline the tax appeals process for our broad-based membership."

The full COST report is available <u>here</u>.

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The **Pennsylvania Chamber of Business and Industry** is the state's largest broad-based business association, with its statewide membership comprising businesses of all sizes and across all industry sectors. The PA Chamber is The Statewide Voice of Business™.