



Ohio General Tax Amnesty Ends June 15 – Up Next: Texas and Kentucky

Whether a business is looking to reduce its tax exposure or an individual is looking for some piece of mind, state and local tax amnesty programs can be a real opportunity for some taxpayers. The programs are designed to bring immediate cash flow to state budgets in exchange for limiting the tax, penalties and interest of participating taxpayers.

In addition to general tax amnesty programs offered in Ohio, Texas and Kentucky, many state and local governments have more targeted programs.

The benefit of each state's tax amnesty program will vary. In addition, each state will have its own specific procedures and application period for its tax amnesty program. In some cases, states will increase penalties and interest for taxpayers who fail to participate in an amnesty program and are later assessed liability for the periods covered by the amnesty.

Taxpayers should consider their particular circumstances as well as the relative benefits of voluntary disclosure programs that may be available simultaneously with the tax amnesty program.

General summaries of a number of tax amnesty programs are provided below.

Ohio - General Tax Amnesty Ending June 15

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Taxes Covered Include:	Commercial Activity Tax (CAT) Corporation Franchise Tax Individual Income Tax Sales and Seller's Use Tax <i>(Not Consumer's Use Tax – see below)</i> Employer Withholding Pass-Through Entity
Tax Periods: All periods where the tax was due and payable as of May 1, 2011. <i>(Note: This tax amnesty does not cover liabilities accrued since May 1, 2011)</i>	
Taxpayers:	Anyone who has a liability for the taxes listed above as of May 1, 2011, but amnesty cannot be claimed for taxes that are currently under audit or for which a notice of assessment has been issued.
Benefits:	Forgiveness of all the penalty and half the interest associated with unreported and underreported taxes that qualify under the program.
When to Apply:	The application period began May 1 and will run through June 15, 2012.
Voluntary Disclosure Program Available:	Commercial Activity Tax (CAT) Corporation Franchise Tax Individual Income Tax Sales and Use Tax Employer Withholding Pass-Through Entity

Texas Fresh Start Amnesty – Apply June 12 to August 17

Taxes Covered:	All state and local taxes and fees administered by the Comptroller's office are eligible, with the exception of Public Utility Commission gross receipts assessments.
Tax Periods:	All periods with returns due before April 1, 2012.
Taxpayers:	Taxpayers who did not file or underreported taxes or fees. The amnesty does not apply to underpayments or to taxpayers who have been or are currently under audit.
Benefits:	Waiver of all penalties and interest on returns filed that request amnesty.
When to Apply:	The application period runs from June 12 through August 17, 2012.
Voluntary Disclosure Program Available:	Applies to all taxes administered by the Comptroller, as well as unclaimed property.

Kentucky Amnesty Legislation Passed - Program to Be Offered Before June 30, 2013

Taxes Covered:	All taxes administered by the Department of Revenue except real property, motor vehicle and personal property taxes.
Tax Periods:	Taxable periods ending or transactions occurring after December 1, 2001, and prior to October 1, 2011

Taxpayers:	Any taxpayer who files original or amended returns, pays all amounts owed in full, and continues to file and pay on time for three years. Amnesty is invalidated if payments are not made as required. A taxpayer may participate even if under audit, but must waive the right to dispute any tax for which amnesty is sought.
Benefits:	Waiver of all penalties and half the interest due (except certain penalties pertaining to cigarettes). Interest is not waived during an installment agreement. Avoid a 2% increase in interest and collection fees of up to 75% on a liability that could have received amnesty but is collected after the amnesty period.
When to Apply:	The Department of Revenue will announce a 60- to 90-day period before June 30, 2013.
Voluntary Disclosure Program Available:	For any tax administered by the Department of Revenue.

Other Amnesty Programs

Georgia:	Amnesty for sales and use tax liabilities for registration prior to August 1, 2012.
Indiana:	Counties may, before July 1, 2012, adopt an ordinance to establish a property tax amnesty program for delinquent taxes and special assessments applicable to real property. The ordinance would allow for waiver of interest and penalties added before January 1, 2012.

Maine:	Consumer use tax amnesty to run from October 1 to November 30, 2012 for use tax incurred before January 1, 2006.
Ohio:	Consumer use tax amnesty available until May 13, 2013 for purchases made on or after January 1, 2009.
Tennessee:	Sales and use tax amnesty to sellers that are not currently registered and who volunteer to collect or pay sales or use taxes. This amnesty is available until 12 months after Tennessee becomes a full member of Streamlined Sales and Use Tax.
Utah:	Amnesty for sales and use tax liabilities prior to registration. This amnesty is available until 12 months after Utah becomes a full member of Streamlined Sales and Use Tax.
Washington:	Personal property tax amnesty available until July 1, 2012 for tax years 2011 and prior.

If you have questions about tax amnesty, voluntary disclosure or other state and local tax issues feel free to contact [Kristina E. Somers](#) or any other member of the Reinhart State and Local Tax team.

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