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**INDEPENDENT REGULATORY REVIEW COMMISSION
COMMONWEALTH OF PENNSYLVANIA
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November 6, 2003

Honorable Gregory C. Fajt, Secretary
Department of Revenue
Strawberry Square, 11th Floor
Harrisburg, PA 17128

Re: Regulation #15-418 (IRRC #2209)
Department of Revenue
Personal Income Tax; Employer Withholding

Dear Secretary Fajt:

The Independent Regulatory Review Commission approved the subject regulation today.
Our Order is enclosed and will be available on our website at www.irrc.state.pa.us.

We appreciate the joint effort that went into producing a regulation that meets the criteria
and intent of the Regulatory Review Act.

Sincerely,

Alvin C. Bush
Vice Chairman

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Enclosure

cc: Honorable Jane M. Earl, Chairman, Senate Finance Committee
Honorable John N. Wozniak, Minority Chairman, Senate Finance Committee
Honorable Robert J. Flick, Majority Chairman, House Finance Committee
Honorable David K. Levdansky, Democratic Chairman, House Finance Committee

**INDEPENDENT REGULATORY REVIEW COMMISSION
APPROVAL ORDER**

Commissioners Voting:

Public Meeting Held November 6, 2003

John R. McGinley, Jr., Esq., Chairman, by Phone
Alvin C. Bush, Vice Chairman
Daniel F. Clark, Esq.
Arthur Coccodrilli
Murray Ufberg, Esq.

Regulation No. 15-418
Department of Revenue
Personal Income Tax; Employer Withholding

On August 17, 2001, the Independent Regulatory Review Commission (Commission) received this proposed regulation from the Department of Revenue (Department). This rulemaking amends 61 Pa. Code Chapters 113 and 121. The proposed regulation was published in the September 1, 2001 *Pennsylvania Bulletin* with a 30-day public comment period. The final-form regulation was submitted to the Commission on September 30, 2003.

This regulation amends provisions related to the taxation of cafeteria plans and tip income. It clarifies language pertaining to liability for withheld tax. It also updates rules relating to an employer's filing responsibilities.

We have determined this regulation is consistent with the statutory authority of the Department (72 P.S. § 7354) and the intention of the General Assembly. Having considered all the other criteria of the Regulatory Review Act, we find promulgation of this regulation is in the public interest.

BY ORDER OF THE COMMISSION:

This regulation is approved.




Alvin C. Bush, Vice Chairman