

3156

Kathy Cooper

From: IRRC
Subject: FW: Final Regulation "Local Earned Income Tax"

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From: Elam M. Herr [<mailto:eherr@psats.org>]
Sent: Monday, June 25, 2018 10:37 AM
To: James Smith
Subject: RE: Final Regulation "Local Earned Income Tax"

Jim: Good morning. We have reviewed the Department of Community and Economic Development's Final Regulation #4-97 (IRRC #3156), "Local Earned Income Tax (Act 32-2008 Regulations), and offer the following comment. Although the department addressed our comment on the proposed regulation, Section 151.41 (3) (iv), pertaining to the flat cost assessed to a political subdivision for mediation, we still have an issue. The regulation now stipulates that the "department shall assess a fee to cover costs incurred by the department in reviewing the mediation notice," but does not state what cost can and will be assessed. Since the fee determined by the department is not refundable and not subject to appeal, should not the political subdivision have some idea "of what the cost will be that will be assessed?" Also, Section 151.41 (4) states that the mediator may assess costs incurred and other mediation fees. Again, these are not defined, yet they are final and not subject to appeal. We understand that cost have to be covered, but when the cost are not defined, it does present an issue with governmental officials making a sound decision.

Again, we appreciate the opportunity to review and comment. Should you have any additional questions, please let me know. Elam