

3156

**Kathy Cooper**

**From:** IRRC  
**Subject:** FW: Proposed Regulation "Local Earned Income Tax"

2016 AUG 23 AM 9:39

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**From:** Peter N. Calcara [<mailto:PCalcara@picpa.org>]  
**Sent:** Tuesday, August 23, 2016 7:33 AM  
**To:** James Smith  
**Cc:** Peter N. Calcara  
**Subject:** RE: Proposed Regulation "Local Earned Income Tax"

Mr. Smith,

I am writing on behalf of the more than 22,000 members of the Pennsylvania Institute of Certified Public Accountants (PICPA) in response to the Pennsylvania Department of Community and Economic Development (DCED) proposed regulation, "Local Earned Income Tax" (#4-97/IRRC #3156). Founded in 1897, the PICPA membership includes practitioners in public accounting, industry, government, and education. Our members provide accounting, auditing, tax and related professional services to individuals, not-for-profit organizations, and a broad range of businesses across the Commonwealth.

We offer the following comments for IRRC's consideration.

1. Sec. 151.23. Duties of a tax collection committee in selecting a tax officer. Subsection (ii) requires "an accountant professional" to verify that the entity under consideration "exists as a solvent entity." First, the reference to "an accountant professional" should be corrected to reference a "CPA or public accountant" as provided for and defined in Act 32 of 2008. Second, the phrase "exists as a solvent entity" is inconsistent with both the statute and the AICPA Code of Professional Conduct (Code). As such, a practitioner providing such verification would be in violation of the AICPA attestation standards and therefore in violation to the Code. Furthermore, a practitioner could be subject to possible sanction by the Pennsylvania State Board of Accountancy, the AICPA and the PICPA.
2. Sec. 151.23. Subsections (1)(ii), (iii), (iv), (v), (vi), (viii), and (ix) are grammatically incorrect.

Thank you, once again, for the opportunity to review the proposed regulation and please do not hesitate to contact me if the PICPA can be of further assistance.

**Peter N. Calcara, CAE** | Vice President - Government Relations  
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