

The Bankler Report

March 23, 2012

INTRODUCTION

Texas Comptroller announces a Tax Amnesty for Businesses.

Project Fresh Start

Effective June 12, 2012 thru August 17, 2012, The Texas Comptroller's office will allow businesses to file delinquent or amended tax returns to report taxes unpaid or underreported for returns that were originally filed before April 1, 2012. This program applies to sales taxes, franchise taxes, and other state or local taxes or fees administered by the Texas Comptroller's office, except Public Utility Commission gross receipts assessments, sports and community venue taxes or property taxes. The amnesty also does **NOT APPLY** to underpaid tax returns (return has been filed but taxes have not been paid), returns that have been identified for audit, or to taxpayers that have a voluntary disclosure agreement.

The amnesty program requires businesses to **file and pay** delinquent or underreported tax liabilities thru April 1, 2012.

Texas Voluntary Disclosure Program

Texas also has a voluntary disclosure program. Under this program, taxpayers can limit their filings and payments to a look-back period of four years from the disclosure date. While Project Fresh Start closes August 17, 2012, the Voluntary Disclosure Program is offered year round.

Both programs provide for abatement of penalties and interest.

No Federal Protection

Since Texas has NO income tax (the franchise tax is "margin" based), Texas taxpayers are not provided with federal protection that is provided in the many other states that have an income tax.

Should you require any additional information, or believe that you could benefit from participating in either of these programs, please feel free to contact us.