

March 14, 2016

IN RE: Siboram Patro

Docket No: 36SIINPZZ9565

Statement of Record:

- 1) Siboram Patro (hereafter "Petitioner") filed a Tax Review Board (TRB) petition on June 16, 2014 requesting a waiver of interest and penalty accrued against a School Income Tax (SIT) assessment for the year [REDACTED]
- 2) An administrative hearing before a TRB master was held on February 25, 2015. The decision of the Master, as ratified by the TRB, was to ½ of the interest and ½ of the penalty with payment to be made within 60 days.
- 3) Petitioner appealed for a hearing before the full TRB.
- 4) An administrative hearing before the TRB Hearing was scheduled for December 3, 2015. At the conclusion of the hearing, the Board announced its decision that any jurisdiction for review of this matter by the TRB was superceded by the Agreement signed by Petitioner with the City's outside collection vendor. However, the TRB issued an advisory opinion directing the reinstatement of the penalty waiver offered pursuant to the agreement with the City's vendor, Revenue Collection Bureau (RCB), contingent on Petitioner entering a new payment agreement within 30 days.
- 5) Petitioner filed an appeal to the Court of Common Pleas.

Findings of Fact:

- 1) Petitioner requested a waiver of interest and penalty accrued against a School Income Tax (SIT) assessment for the year: [REDACTED]
- 2) At the TRB hearing on December 3, 2015, the amounts due for SIT for [REDACTED] are as follows:
  - Principal [REDACTED]
  - Interest [REDACTED]
  - Penalty [REDACTED]
- 3) At the TRB hearing, the City raised the preliminary matter of the Board's jurisdiction to hear the appeal, based on an agreement signed by Petitioner which, in part, provided a full penalty waiver, and, in part, waived any right to appeal to the Tax Review Board. A copy of this agreement, signed by Petitioner, was provided to the TRB. The agreement was dated prior to the filing of the TRB petition on June 16, 2014.
- 4) Petitioner acknowledged signing the agreement.
- 5) Petitioner testified that he signed the agreement with the outside vendor, RCB, so he could get a definitive answer as to how much the City was claiming he owed. He stated that neither the City nor the RCB would give him an assessment or bill so he could file an appeal.
- 6) Petitioner testified that he made multiple efforts to obtain information and a bill. Neither the City nor the City's vendor was forthcoming with the information, so he signed the agreement.
- 7) Petitioner did not make any payments on the agreement.
- 8) Counsel for the City had no information about Petitioner's dealings with the outside vendor.

Conclusions of Law:

It was the finding of the TRB that the agreement signed by Petitioner which included the waiver of any right to appeal to the TRB precluded the TRB from reviewing the matter under appeal.

The agreement clearly stated that all penalty would be waived if Petitioner, among other conditions, agreed "to waive your rights to appeal this assessment to the Tax Review Board".

It is the policy of the TRB to honor such agreements binding both parties where the city, either directly or through an authorized vendor, provides certain concessions or benefits which are accepted by the taxpayer in exchange for agreeing to forego any appeal. To do otherwise would undermine the city's ability to negotiate any settlements and give taxpayer's an unfair advantage and the proverbial "two bites of the apple".

While Petitioner did have a hearing before a TRB Master, no information was provided at that hearing regarding the agreement. Neither the City representative nor Petitioner presented the agreement or raised any jurisdictional objection. However, all hearings before the TRB are de novo and the City, as well as Petitioner, was free to raise any issue not raised before the Master.

Taking into account the confusion encountered by Petitioner in his attempts to address the matter, it was the direction of the TRB to the City that Petitioner be permitted to continue with the payment agreement as signed with the abatement of penalties.

The TRB based this decision on Petitioner's testimony that he had been attempting to address the delinquency from the time of notification and, as acknowledged by the City, could not get any information or assistance from the Philadelphia Revenue Department because the assessment and all information had been generated by the outside vendor, RCB. His dealings with RCB did not easily provide the clarification he sought regarding the assessment.

Petitioner appeared to have acted in good faith in his efforts to respond to the City and a penalty waiver appeared justified contingent on compliance with the payment agreement.

Concurred:

Nancy Kammerdeiner, Chair

Joseph Ferla

Kaitlin McKenzie-Fiumara, Esq.

George Mathew

Martin Bednarek