

June 26, 2020

Audit examinations and refund claims guidance

To support business recovery during and after the COVID-19 pandemic, the City of Philadelphia has modified its audit and refund policy deadlines.

Audit examinations

During the period between March 17 and July 15, 2020, the Department generally will not initiate new audit examinations. There may be exceptions, if necessary, to protect the City's interest in preserving the applicable statute of limitations or as it relates to refund claims. The Department will work with taxpayers to complete audit examinations in progress remotely, wherever possible. The Department will continue to take the necessary steps to preserve the applicable statute of limitations. In cases where the statute of limitations would expire during this period, taxpayers are encouraged to cooperate in extending such statutes. The Department will also be flexible in granting taxpayer requests for extensions.

Existing audit penalty abatement parameters will be broadened for audit examinations that are completed during the remainder of this calendar year.

Filing a claim for a refund or credit by taxpayers

Any statute of limitations relating to the filing of refund claims for prior years that would have expired on or after April 1, 2020 and before July 15, 2020 is now extended to July 15, 2020. This policy covers:

- General refund petitions;
- Income based wage tax refund petitions;
- Wage tax refund petitions for non-residents; and
- Amended returns.