

Accounting Bulletin #2000-01

SUBJECT: Accounting for PURTA Distributions Received through the Commonwealth of PA

Effective Beginning Fiscal Year 1999-00

Date: January 12, 2000

This bulletin provides guidance on the proper accounting for prior year PURTA (Public Utility Realty Tax Act) entitlements received in the current fiscal year.

This fiscal year, LEAs have received an additional PURTA distribution that was payable to recipients during the 1998-99 fiscal year. This additional distribution is based on the 1996-97 fiscal year RCT-900 PURTA report that you filed with the PA Department of Revenue during the 1997-98 fiscal year.

The PURTA distribution you received during FY98-99 was capped due to a shortage in the Commonwealth appropriation. Normally when using an accrual basis of accounting, the additional payable is accounted for as accrued revenue at June 30. This is done if the amount due your school is measurable and available soon enough after the close of the current fiscal year to fund current year obligations. In this instance, the amount due to each LEA was not measurable or available so you were unable to accrue your LEA's additional PURTA entitlement at June 30, 1999. Accordingly, the additional 1998-99 fiscal year PURTA entitlement received during the 1999-2000 fiscal year should be recorded like a current year PURTA distribution in revenue account #6113.

There is no requirement to make revisions to your 1998-99 fiscal year annual financial report or 1999-2000 fiscal year budget for this distribution.

Questions regarding this bulletin may be directed to the School Finance staff within the Office of Comptroller Operations at Ra-Schlfin@state.pa.us