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## INDEPENDENT REGULATORY REVIEW COMMISSION

333 MARKET STREET, 14TH FLOOR, HARRISBURG, PA 17101

December 6, 2001

Honorable Larry P. Williams, Secretary  
Department of Revenue  
Strawberry Square, 11th Floor  
Harrisburg, PA 17128

Re: Regulation #15-413 (IRRC #2113)  
Department of Revenue  
Termination Pay, Severance Pay and Early Retirement  
Incentive Programs

Dear Secretary Williams:

The Independent Regulatory Review Commission approved your regulation on December 6, 2001. Our Order is enclosed and is available on our website at [www.irrc.state.pa.us](http://www.irrc.state.pa.us).

We appreciate the joint effort that went into producing a regulation that meets the criteria and intent of the Regulatory Review Act.

Sincerely,

A handwritten signature in cursive script, appearing to read "Alvin C. Bush".

Alvin C. Bush

Vice Chairman

cae

Enclosure

cc: Honorable Karl W. Boyes, Majority Chairman, House Finance Committee  
Honorable Fred A. Trello, Democratic Chairman, House Finance Committee  
Honorable Jane M. Earll, Chairman, Senate Finance Committee  
Honorable John N. Wozniak, Minority Chairman, Senate Finance Committee

**INDEPENDENT REGULATORY REVIEW COMMISSION  
APPROVAL ORDER**

Commissioners Voting:

Public Meeting Held December 6, 2001

Alvin C. Bush, Vice Chairman  
Arthur Coccodrilli  
Robert J. Harbison, III  
John F. Mizner, by Phone

Regulation No. 15-413  
Department of Revenue  
Termination Pay, Severance Pay and Early  
Retirement Incentive Programs

On May 3, 2000, the Independent Regulatory Review Commission (Commission) received this proposed regulation from the Department of Revenue (Department). This rulemaking amends 61 Pa. Code Chapter 101. The proposed regulation was published in the May 13, 2000 *Pennsylvania Bulletin* with a 30-day public comment period. The final-form regulation was submitted to the Commission on October 31, 2001.

The Department is defining the terms "limited plan of termination," "qualified annuity" and "severance pay." The Department is also interpreting 72 P.S. § 7301(d) to mean that insurance benefits paid under the Railroad Retirement Act and payments to a partner guaranteed from that partnership are not considered "compensation" as defined in that subsection.

We have determined this regulation is consistent with the statutory authority of the Department (72 P.S. §§ 7301(d) and 7354) and the intention of the General Assembly. Having considered all of the other criteria of the Regulatory Review Act, we find promulgation of this regulation is in the public interest.

**BY ORDER OF THE COMMISSION:**

This regulation is approved.



  
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Alvin C. Bush, Vice Chairman