

To reduce the burden on Dealers, and improve upon the usefulness of information received by Board staff, Pennsylvania Association of Milk Dealers (PAMD) and staff have discussed, identified, and have agreed to the following regulatory changes:

149.22 Returns, allowances, and discounts

This regulation requires Dealers to show discounts as a separate item on Dealer invoices. Dealers prefer to invoice only showing a net sales price (Gross sale price – Discount). Eliminating this requirement will relieve the Dealer of this burden without having any impact on enforcing and auditing minimum wholesale pricing. The requirement of invoices and statements always indicating gross sales price and discount can be eliminated to only show net sales price.

149.30 Bad Debts

This regulation requires Dealers to establish a reserve for bad debts, that are not actually incurred. A reserve for bad debts is recorded in the Dealer's Balance Sheet accounts. Since it does not affect costs on the income statement, it has no effect on minimum prices. It is not useful to Board staff and can be eliminated. When a bad debt is actually incurred and determined to be uncollectable it would be recorded as an expense and included in minimum price calculations.

149.42 Income and cost of sales accounts

This regulation required Dealers to maintain multiple sales accounts that are not needed by staff to determine profit and loss of controlled sales. All that is required is a Total Gross Sales line, a Returns line, and a Discounts line for controlled and non-controlled Sales.

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