CITY OF PHILADELPHIA 2010 NET PROFITS TAX DUE DATE: APRIL 15, 2011

Print Taxpayer Name and Address —



2010 NPT

CORPORATIONS ARE NOT SUBJECT TO THIS TAX

City Account Number

			Federal	Identification	Number	
			Socia	I Security Nu	ımber	
				· _ _	Щ	
	If this	is an ame	nded return	place an "X	" here:	
YOU MUST USE THE CHANGE FORM TO REPORT A CHANGE OF ADDRE		Percentage ine 3, if app	from Page 3, V plicable.	/orksheet D,		%
If your business terminated in 2010, enter the termination date <u>AND</u> file a	CHANGE FORM.	→	m m	d d -	у у у у	
If the amount on Line 1 or Line 3 indicates a loss, darker	n the circle. ১	1				
Resident taxable income or loss from Page 2, Worksheet A, Line 4	1.	0	,	,	.00	
2. Line 1 X .039280. If Line 1 is a loss, enter "0"	2.		,	,	.00	ł
3. Non-Resident taxable income or loss from Page 2, Worksheet B, Line 6	3.	0	,	,	.00	1
4. Line 3 X .034985. If Line 3 is a loss, enter "0"	4.		, 📑	, ,	.00	١
5. Tax Due (Line 2 plus Line 4)		5.			.00	1
6a. 60% Business Privilege Tax credit from Page 3, Worksheet K, Line 4			Π , Π	$\overline{\Box}$.00	
6b. Estimated payments and other credits from Page 3, Worksheet E, Line 4.			ПП	Π . Π	.00	
					.00	
6c. Total payments and credits. (Line 6a plus Line 6b)		6c.	□'□	₩',	.00	
7. Net Tax Due (Line 5 less Line 6c). If Line 6c is greater than Line 5, enter the difference on Line 10		7.	,	,	.00	
Interest and Penalty Multiply Line 7 by the cumulative percentage from the chart on the Inform	nation Sheet	. 8.	,	,	.00	
9. TOTAL DUE including Interest and Penalty (Line 7 plus Line 8)		9.	,	,	.00	
To ensure proper credit to your account you must us	se the preprinte	ed coupo	n to remit yo	ur payment	<u>'I</u>	
10. Tax Overpaid. If Line 6c is greater than Line 5, enter difference here and Estimated Tax Coupon (ENP-1), Line 2		10.	, 	,	.00	
11. Enter 50% of Page 2, Worksheet C, Line 3. Do not use this line to remit estimated payments		. 11.	,	,	.00	
OVERPAYMENT OPTIONS If Line 10 is greater than Line 11, enter the am	ount to be:	I		_	00	7
12a. Refunded. Do not file a separate Refund Petition		12a.	,	,	.00	
12b. Applied, up to the tax due, to the 2010 Business Privilege Tax Return		· 12b.	,	,	.00	
12c. Applied to the 2011 Net Profits Tax		12c.	,	, [.00	
Under penalties of perjury, as set forth in 18 PA C.S. §§ 4902- and accompanying statements and schedules, and to the best of					rn	_
Tarana Circa at an			Dhone #			

Taxpayer Signature_ Date_ _Phone #_ _Phone #_ Preparer Signature_ _Date_

WORKSHEETS A, B and C 2010 NET PROFITS TAX RETURN

These are worksheets only.

Do not file these worksheets with your return.

Instructions for Worksheets A and B

Enter on Line 1 the net income or loss from the appropriate Federal Tax return(s) or if applicable, the Profit and Loss Statement.

Examples of Line 2 adjustments (not all inclusive): Federal Form 1040, Schedule "C" filers - add back to net income any taxes based on net income which have been deducted in arriving at reported net income, e.g., prior year Net Profits Tax (the Business Privilege Tax paid is deductible). Federal Form 1065 filers - add back to net income any taxes based on net income, capital gains, and guaranteed payments to partners; deduct from net income IRC section 179 expense. Nonresidents may take an income exclusion for Public Law 86-272 activity.

Line 3 includes taxable income from the sale of business capital assets, income from estates or trusts, and income from patents and royalties.

·			
WORKSHEET A: Business Income (Loss) for I	Resid	ents	
1. Net Income (Loss)	1.		. 0 0
2. Federal Form 1065, Schedule K-1 and other adjustments	2.		. 0 0
3. Other taxable income	3.		. 0 0
4. Taxable Resident Net Income (Loss). Add Lines 1 through 3 and enter on Page 1, Line 1	4.		. 0 0
WORKSHEET B: Business Income (Loss) for No	onresi	idents	
Nonresidents of Philadelphia may apportion all or part of their net income to their places of busine Worksheet NR-3 on Page 4. The apportionment is based on a three factor formula consisting of wages paid, and the receipts earned during the tax year.			
1. Net Income (Loss)	1.		. 0 0
Federal Form 1065, Schedule K-1 and other adjustments	2.		. 0 0
Other taxable income	3.		. 0 0
4. Total Net Income (Loss). Add Lines 1 through 3	4.		. 0 0
Philadelphia apportionment factor from Page 4, Worksheet NR-3, Line 12	5.		
6. Taxable Nonresident Net Income (Loss). (Line 4 times Line 5) Enter here and on Page 1, Line 3	6.		. 0 0
WORKSHEET C: Computation of Estimated	Гах Ва	ase	
If the amount on Line 3 is \$100 or less, estimated payments are not required. If the amount on Line Line 3 on the first estimated coupon (ENP-1), Line 1 and the second estimated coupon (ENP-2), required, there are two payments due. The first estimated tax payment is due April 15, 2011 and 2011. Estimated tax payments are not required on September 15, 2011 or January 15, 2012.	Line 1.	If Net Profits Tax estimate	ed payments are
Net Profits Tax Liability from Page 1, Line 5	1.		. 0 0
2. Business Privilege Tax Credit from Page 1, Line 6a or Page 3, Worksheet D, Line 8	2.		. 0 0
Estimated Payments Base (Line 1 minus Line 2)	3.		. 0 0

WORKSHEETS D, E, K and EXTENSION 2010 NET PROFITS TAX RETURN

These are worksheets only.

Do not file these worksheets with your return.

WORKSHEET D: ALLOCATION OF BUSINESS PRIVILEGE TAX CREDIT FOR PARTNERSHIPS, ETC., WITH CORPORATE MEMBERS (THIS SCHEDULE IS TO BE USED ONLY BY PARTNERSHIPS, JOINT VENTURES AND ASSOCIATIONS WHICH ARE COMPOSED OF ONE OR MORE CORPORATE PARTNERS, CORPORATE JOINT VENTURES, OR CORPORATE ASSOCIATES.)

1.	Enter the portion of taxable income on which 2010 Business Privilege Tax has been paid, AND which represents the distributive shares of net income of ALL CORPORATE MEMBERS	. 1.],],						0	0
2.	Enter the total taxable income of the taxpayer on which 2010 Business Privilege Tax has been paid	. 2.],],					•	0	0
3.	Divide Line 1 by Line 2 and enter the percentage here and on Page 1 of the return	. 3.		_									용		
4.	Enter the amount from Worksheet K, Line 2	. 4.],],					•	0	0
5.	Multiply the amount on Line 4 by the percentage on Line 3	5.		<u> </u>	L			,					•	0	0
6.	Subtract Line 5 from Line 4	. 6.	L	<u></u> ,	L],					•	0	0
7.	Enter the amount from Page 1, Line 5	. 7.		Ι,				 ,						0	0
	Business Privilege Tax Credit allowed. Enter the lesser of Line 6 or Line 7 here and on Page 1, Line 6a			_],],						0	0
	WORKSHEET E: Summary of Payments and Other	· Cre	edi	ts											_
1.	2010 Estimated Net Profits Tax Payments	. 1.	Г	٦,				,						0	0
	Payments of 2010 Net Profits Tax made with Application for Extension of Time to File			_],],						0	0
3.	Overpayment of 2010 Business Privilege Tax or 2009 Net Profits Tax to be applied to this return	. 3.],],						0	0
4.	TOTAL of Lines 1 through 3. Enter here and on Page 1, Line 6b	. 4.		٦,				٦,		Т				0	0
				_	Ь			١,	L	_	_				
	WORKSHEET K: 60% Business Privilege Tax C	red	lit												_
_	WORKSHEET K: 60% Business Privilege Tax Content the amount from Page 1, Line 1 of the 2010 BPT-EZ return or the Summary Page, Line 1 of the 2010 Business Privilege Tax return		lit	<u> </u>],						0	0
1.	Enter the amount from Page 1, Line 1 of the 2010 BPT-EZ return or the Summary Page, Line 1	. 1.	lit],],],						0	0
1.	Enter the amount from Page 1, Line 1 of the 2010 BPT-EZ return or the Summary Page, Line 1 of the 2010 Business Privilege Tax return	. 1.],],],],							0 0
1. 2.	Enter the amount from Page 1, Line 1 of the 2010 BPT-EZ return or the Summary Page, Line 1 of the 2010 Business Privilege Tax return	. 1.],],],					•	0	0 0
1. 2.	Enter the amount from Page 1, Line 1 of the 2010 BPT-EZ return or the Summary Page, Line 1 of the 2010 Business Privilege Tax return	. 1.],],],],					•	0	0 0
1. 2.	Enter the amount from Page 1, Line 1 of the 2010 BPT-EZ return or the Summary Page, Line 1 of the 2010 Business Privilege Tax return	. 1.],],					•	0	0 0
1. 2. 3. 4. The too into m per No.	Enter the amount from Page 1, Line 1 of the 2010 BPT-EZ return or the Summary Page, Line 1 of the 2010 Business Privilege Tax return Enter 60% of the amount on Line 1. If your entity has corporate members, STOP HERE and enter this amount on Worksheet D, Line 4 Enter the amount from Page 1, Line 5 of the 2010 Net Profits Tax return Business Privilege Tax credit allowed. Enter the lesser of Line 2 or Line 3 here and on Page 1, Line 6a	. 1. 2 3 4. et file Servision exte	an a ice	for or (the onfi	filin 6/19 tir rma	g yo 5/20 ne t otion	ur o 11, 1 o pa of y	/ the corp	ora che he r e	ate eve ta exte	, pa er is x. ensi	artne s lat Inte ion	due ersh ter. eres	0 0 0 vet arrues	0 0 0 0
1. 2. 3. 4. The to income many personal many	Enter the amount from Page 1, Line 1 of the 2010 BPT-EZ return or the Summary Page, Line 1 of the 2010 Business Privilege Tax return	. 1. 2 3 4 4	an a ice	for or (the onfi	filin 6/19 tir rma	g yo 5/20 ne t otion	ur o 11, 1 o pa of y	/ the corp	ora che he r e	ate eve ta	, pa er is x. ensi	artne s lat Inte ion	due ersh ter. eres	0 0 0 o data	0 0 0 0
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1. 2. 3. 4. The too into me per No. Co. 1. 2.	Enter the amount from Page 1, Line 1 of the 2010 BPT-EZ return or the Summary Page, Line 1 of the 2010 Business Privilege Tax return. Enter 60% of the amount on Line 1. If your entity has corporate members, STOP HERE and enter this amount on Worksheet D, Line 4. Enter the amount from Page 1, Line 5 of the 2010 Net Profits Tax return. Business Privilege Tax credit allowed. Enter the lesser of Line 2 or Line 3 here and on Page 1, Line 6a. EXTENSION WORKSHEET This is an extension worksheet to be used when figuring the amount of Net Profits tax you owe. You mus satisfy your filling requirements. If an extension of time has been obtained from the Internal Revenue dividual tax returns, the corresponding returns are due on or before the due date of the federal extension that you will not receive the under the profits of the amount of tax not paid by the statutory due date. You will not receive to OTE: If you have filed for an automatic federal extension but do not believe you will owe an opupon.	. 1. 2 3 4 st file Servinsion extension extension tax	an a ice	for or (the onfi	filin 6/19 tir rma	g yo 5/20 ne t otion	ur o 11, 1 o pa of y	/ the corp	ora che he r e	ate eve ta	, pa er is x. ensi	artne s lat Inte ion	due ersh ter. eres	0 0 0 0 e data nipo o You st arrues	0 0 0 0 tte or

WORKSHEET NR-3 2010 NET PROFITS TAX RETURN

Computation of apportionment factors to be applied to apportionable net income of certain <u>nonresidents</u> of Philadelphia.

Calculation of Average Values of Real and Tangible Property Used in Business:

		COLUMN A PHILADELPHIA					TC			UMN ERY	N B /WHE	ERE		
1. Inventories of Raw Materials, Work in Process and Finished Goods	1.													
2. Land and Buildings Owned (at average original cost)	2.													
3. Machinery and Equipment Owned (at average original cost)	3.													
4. Other Tangible Assets Owned (at average original cost)	4.													
5. Rented Property (at 8 times the net annual rental)	5.													
6. Total average value of Property used WITHIN PHILADELPHIA	6.								XX	XX	XXX	(XX	X	
7. Total average value of Property used EVERYWHERE	7.	Х	XX	ΚXX	XXX	ίX								
Computation of Apportionment Factors:														
8A. Total average value of Philadelphia property from Column A, Line 6 above.	8A.],						,[\prod		\Box .	. 0	0
8B. Total average value of property everywhere from Column B, Line 7 above	8B.],						,[\prod	\prod	\rfloor .	. 0	0
8C. Philadelphia property factor (Line 8A divided by Line 8B)	8C.] .							
9A. Philadelphia Payroll	9A.		,						,[\Box .	. 0	0
9B. Payroll Everywhere	9B.		,						,[\Box .	. 0	0
9C. Philadelphia payroll factor (Line 9A divided by Line 9B)	9C.].							
10A. Philadelphia receipts	10A.],						,[\Box		. 0	0
10B. Gross receipts everywhere	10B.		,						,[$oxed{\ }$.	. 0	0
10C. Philadelphia receipts factor (Line 10A divided by Line 10B)	10C.													
11. TOTAL FACTORS (Total of Lines 8C, 9C and 10C)	11.													
 Philadelphia apportionment factor (Line 11 divided by applicable number of Enter factor on Page 2, Worksheet B, Line 5. 	factors)					12	. •			\prod	\prod			

Allocation versus Apportionment of a Nonresident's Net Profits

A nonresident individual, partnership, association or other unincorporated entity conducting or carrying on any business, profession, trade, enterprise or other activity is required to pay the Net Profits Tax (NPT) on the entire net profits of the business if <u>all</u> activity is conducted within the City of Philadelphia. This is true despite the absence of a Philadelphia office or business location.

Where a nonresident maintains <u>both</u> Philadelphia and non-Philadelphia branch offices, the taxpayer <u>may allocate</u> net profits between or among the Philadelphia and non-Philadelphia branch locations. The taxpayer must be prepared to show the Revenue Department that each branch office or location is self-sustaining and established. This is a question of fact, depending on the particular circumstances in each case. One factor (of many) used by the Department to support a branch office is the presence of separate branch accounting books and records to support the allocation of the net profits between or among the various branch offices. In the absence of separate accounting records, the nonresident taxpayer <u>must apportion</u> their net profits using the three-factor apportionment formula. **Refer to Income Tax Regulation 222 at <u>www.phila.gov/revenue</u>.**