

2006 BUSINESS PRIVILEGE TAX - SCHEDULE "H/J"
Index of Additional Schedules

Schedule "H" - Computation of Tax on Gross Receipts - to be used by persons subject to a tax imposed pursuant to Article VII, VIII, IX or XV of the Tax Reform Code of 1971 and by other financial businesses.

Schedule "H-1" - Alternative Computation of Net Income - to be used by taxpayers registered under the Pennsylvania Securities Act of 1972 who have elected to use Method II to report Net Income.

Schedule "H-2" - Computation of Apportionment Factor - to be applied to Net Income; to be used by all taxpayers who complete Schedule H-1. **Please note the double-weighted receipt factor.**

Schedule "J" - Computation of Maximum Business Privilege Tax - to be used by "Regulated Industry" taxpayers.

Schedule "K" (Supplemental) - Computation of the 2006 Business Privilege Tax Credit for persons subject to the Philadelphia Net Profits Tax.

Tax on Regulated Industries (see Schedule "J")

An annual tax is imposed on every regulated industry at the rate of 1.665 mills (.001665) on each dollar of taxable annual receipts, provided that the amount payable shall not exceed 6.5% (.065) of taxable net income.

Minimum Rate of Tax on Persons Registered Under the Pennsylvania Securities Act of 1972

The total annual tax due from any person registered under the Pennsylvania Securities Act of 1972, as computed in accordance with the rates provided above, shall in no event be less than the amount of tax due as computed in accordance with the following rates:

A. 4.6 mills (.0046) on each dollar of annual taxable receipts as computed without deducting those receipts otherwise excludable under Section 302. (17), of the Business Privilege Tax regulations **plus** the **lesser of**:

B. 2.3 mills (.0023) on each dollar of annual taxable receipts as computed without deducting those receipts otherwise excludable under Section 302. (17), of the Business Privilege Tax regulations

or

2.3% (.023) of the person's net income as computed without making the adjustment to net income provided in Section 404. (2) (f) of the Business Privilege Tax regulations.