

BUSINESS PRIVILEGE TAX NEW START RETURN 1999

Rate Changes: The rate for the gross receipts portion of this tax has been reduced to 2.775 mills. If you use Page 7, Schedule E, the manufacturers rate has been reduced to 4.6%, the wholesalers rate has been reduced to 6.45% and the retailers rate has been reduced to 1.53%.

- **Note the important changes on the next page.**
- Labels - A label indicating your tax account number and address of record is included in the tax package mailed to you. Place this label on page 1 of this return to facilitate proper processing.
- **The city account number must be entered in the upper right corner of the return and on all schedules submitted.**
- The 60% Business Privilege Tax credit is computed in the Net Profits Tax booklet. Refer to the **Net Profits Tax Return**, page 4, Worksheet K to compute your 60% credit.
- **Do not staple or fold this tax return.**
- All payments of tax due with this return are to be made with a **payment coupon**. **Pre-printed coupons** have been enclosed with the tax booklet(s) mailed to existing business accounts. **NOTE:** The blank coupons located in the back of this booklet should be used **only** if the **pre-printed** coupons are not available. For electronic payments, please review Instruction Sheet "D".
- Direct telephone inquiries to 215-686-6600. Send e-mail to revenue@phila.gov

FOR BUSINESSES WHICH STARTED IN 1998 OR 1999

If your business started prior to 1998, do not file this return. You must file a 2000 Business Privilege Tax Return.

Review the General Information on Instruction Sheet B before completing this return.

Due to the prepaid nature of the Business Privilege Tax, it is necessary to have special returns filed for the first two privilege years in business. The special returns are designated as Business Privilege Tax - New Start returns Form BPT-NS/NSEZ.

Businesses Starting in 1999 - The 1999 BPT-New Start return is due by April 17, 2000. The gross receipts portion of the 1999 BPT-NS is based on your actual 1999 taxable receipts; the net income portion is based on the taxable net income for 1999.

Businesses Starting in 1998 - BOTH the 1999 BPT-NS and the 2000 BPT returns are due by April 17, 2000. The gross receipts base for the 1999 BPT-NS is the first 365 days in business; the net income base is the net income reported in accordance with the method elected (method I is book income, method II is federal income) for the calendar or fiscal year that ends within or is concurrent to the Privilege year (1999). If there is no full fiscal period ending in 1999, see Regulation 203 (A)(2)(b). The tax bases for the 1999 BPT-NS are unique because this is the "catch-up" year.

The 2000 BPT, which is also due on April 17, 2000 represents the first return that is prepaid for the privilege of doing business. The gross receipts portion of the 2000 BPT is based on calendar 1999 receipts; the net income portion is based on calendar 1999 income (for calendar year filers) or the fiscal income for the full fiscal year ending in 1999 (for fiscal year filers).

NOTE: This booklet contains both the **EZ** and **REGULAR** version of the **Business Privilege - New Start Tax Return**. The **EZ** version of the BPT return is to be used by taxpayers who conduct business activities only within Philadelphia and do not wish to utilize any of the alternative methods of calculating the **BPT**. All other taxpayers must use the regular version of the **BPT** return.