2003 TAX LIABILITY AND FILING GUIDE

Business Scenarios	Pages to File
Business conducted entirely within Philadelphia	**Pages 1 and 2 only**
Business conducted within and outside of Philadelphia (Method II filers - using federal taxable income: see Instruction Sheet IV)	Pages 3, 4, 5 and 6
Business conducted within and outside of Philadelphia (Method I filers - using accounting system net income: see Instruction Sheet IV)	Pages 3, 5, 6 and 7

Filers using the manufacturers, wholesalers, and/or retailers alternate method of computing gross receipts must also use Page 8, Schedule E.

LOSS CARRY FORWARD - ILLUSTRATION and WORKSHEET

BPT Return	Current Year Income (Loss)	Loss Carry Forward From Prior Year	Accumulated Loss Carry Forward
1999	(100)	--	(100)
2000	(200)	(100)	(300)
2001	(300)	(300)	(600)
Actual 2002	(400)	(600)	(900)

WORKSHEET

Total loss carry forward through 2001	**1000**	_____
Less: Expired 1999 BPT Loss*	**100**	_____
Accumulated loss carry forward to be applied on the 2003 BPT	**900**	_____

Enter the loss carry forward on Page 2, Line 3 or Page 4, Line 10 or Page 7, Line 10 as a positive number.

Losses incurred prior to the 2000 tax year cannot be carried forward; **the maximum loss carry forward period is 3 years**.

Any loss claimed on the Original 2002 BPT return that was due April 15, 2002 will be disregarded.

If your business terminates and you have an unused loss carry forward, any unused loss carry forward would expire and you would not be entitled to a refund.

COMPUTATION OF INTEREST AND PENALTY

Month after Due Date	Returns Filed After Due Date	Interest	Penalty	Combined Interest & Penalty	Cumulative Interest & Penalty
1st	04/16/04 thru 05/15/04	1%	1%	2%	2%
2nd	05/16/04 thru 06/15/04	1%	1%	2%	4%
3rd	06/16/04 thru 07/15/04	1%	1%	2%	6%
4th	07/16/04 thru 08/15/04	1%	2%	3%	9%
5th	08/16/04 thru 09/15/04	1%	2%	3%	12%
6th	09/16/04 thru 10/15/04	1%	2%	3%	15%
7th	10/16/04 thru 11/15/04	1%	3%	4%	19%
8th	11/16/04 thru 12/15/04	1%	3%	4%	23%
9th	12/16/04 thru 01/15/05	1%	3%	4%	27%
10th	01/16/05 thru 02/15/05	1%	4%	5%	32%
11th	02/16/05 thru 03/15/05	1%	4%	5%	37%
12th	03/16/05 thru 04/15/05	1%	4%	5%	42%

For each additional month or fraction thereof, after the 12th month, add 1% for interest and 1¼% for penalty.

Note: Payments made with returns filed after the due date that **do not** include applicable interest and penalty will be **automatically pro-rated** between principal, interest and penalty. You will be subsequently billed for the remaining tax balance and associated interest and penalty.