

Actual 2002 Business Privilege Tax (EZ and Regular Returns)

Due Date: April 15, 2003

The Business Privilege Tax has changed!

◆ The Business Privilege Tax return is due in the year *following* the activity

The new regulation requires the Business Privilege Tax (BPT) return to be filed after the tax year based on the actual business activity during that tax year; for example, the Actual 2002 BPT return is due on April 15, 2003 based on actual 2002 business activity. See the next page for more information.

◆ Application of Prior Payments from the 2002 Business Privilege Tax

Remember to take credit for any 2002 BPT or 2002 BPT-EZ payments previously made under the old BPT rules when filing the Actual 2002 BPT return. Reflect these payments on Page 1, Line 6b or on Page 3, Line 6b of the Actual 2002 BPT return.

◆ Mandatory Estimated Payment for the 2003 Business Privilege Tax

Although the 2003 BPT return is not due until April 15, 2004, every taxpayer must remit a 2003 Business Privilege Tax estimated payment by April 15, 2003. This estimated payment is based on the tax due from the Actual 2002 BPT return (the amount from Page 1, Line 3 or Page 3, Line 3). If the 2003 BPT Estimated Payment is not paid by April 15, 2003, you will be billed for the amount of tax due plus applicable interest and penalty.

◆ Decoupling Federal Bonus Depreciation

The City of Philadelphia has decoupled from the additional IRS Bonus Depreciation. Refer to Instruction Sheet VII for an explanation and an example.