

2002 TAX LIABILITY AND FILING GUIDE

<u>Business Scenarios</u>	<u>Pages to File</u>
Business conducted entirely within Philadelphia	Pages 1 and 2 only
<u>Business conducted within and outside of Philadelphia</u> (Method II filers - using federal taxable income: see Instruction Sheet IV)	Pages 3, 4, 5 and 6
<u>Business conducted within and outside of Philadelphia</u> (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
1998	(100)	--	(100)
1999	(200)	(100)	(300)
2000	(300)	(300)	(600)
2001	(400)	(600)	(900)

WORKSHEET

Total loss carry forward through 2000	<u>1000</u>	_____
Less: Expired 1998 BPT Loss*	<u>100</u>	_____
Accumulated loss carry forward to be applied on the 2002 BPT	<u>900</u>	=====

- 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 1999 tax year cannot be carried forward; **the maximum loss carry forward period is 3 years.**

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	04/16/03 thru 05/15/03	1%	1%	2%	2%
2nd	05/16/03 thru 06/15/03	1%	1%	2%	4%
3rd	06/16/03 thru 07/15/03	1%	1%	2%	6%
4th	07/16/03 thru 08/15/03	1%	2%	3%	9%
5th	08/16/03 thru 09/15/03	1%	2%	3%	12%
6th	09/16/03 thru 10/15/03	1%	2%	3%	15%
7th	10/16/03 thru 11/15/03	1%	3%	4%	19%
8th	11/16/03 thru 12/15/03	1%	3%	4%	23%
9th	12/16/03 thru 01/15/04	1%	3%	4%	27%
10th	01/16/04 thru 02/15/04	1%	4%	5%	32%
11th	02/16/04 thru 03/15/04	1%	4%	5%	37%
12th	03/16/04 thru 04/15/04	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.