Business PrivilegeTax

Every individual, partnership, association and corporation engaged in a business, profession or other activity for profit within the City of Philadelphia must file a Business Privilege Tax Return, whether or not they earned a profit during the preceding year.

Rental activities are usually considered to be business activities.

Every estate or trust, (whether the fiduciary is an individual or a corporation) must file a Business Privilege Tax Return if the estate or trust is engaged in any business or activity for profit within the City of Philadelphia.

The Business Privilege Tax is based on both gross receipts and net income. Both parts must be filed.

Returns for this tax are due by April 15.

If you maintain a Business Privilege License but do not actively engage in business, you must file the Business Privilege Tax return and indicate that no business occurred. If you do not file a return, you will receive a non-filer notice and court costs could be imposed.

Section 103 of the Business Privilege Tax Regulations provides information relating to what constitutes doing business in Philadelphia. A business meeting certain standards may qualify for "Active Presence" treatment and would be subject to tax on Gross Receipts only.

The Department of Revenue offers individuals free assistance in the preparation of returns. For an appointment call 215-686-6413.

For general information, call the Department of Revenue at 215- 686-6600.