

# **BUSINESS PRIVILEGE TAX NEW START RETURN 1998**

## **IMPORTANT INFORMATION**

- See the inside front cover for an important notice.
- 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 "E".

### **FOR BUSINESSES WHICH STARTED IN 1997 OR 1998**

**If your business started prior to 1997, do not file this return. You must file a 1999 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 1998** - The 1998 BPT-New Start return is due by April 15, 1999. The gross receipts portion of the 1998 BPT-NS is based on your actual 1998 taxable receipts; the net income portion is based on the taxable net income for 1998.

**Businesses Starting in 1997** - BOTH the 1998 BPT-NS and the 1999 BPT returns are due by April 15, 1999. The gross receipts base for the 1998 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 (1998). If there is no full fiscal period ending in 1998, see Regulation 203 (A)(2)(b). The tax bases for the 1998 BPT-NS are unique because this is the "catch-up" year.

**The 1999 BPT, which is also due on April 15, 1999 represents the first return that is prepaid for the privilege of doing business. The gross receipts portion of the 1999 BPT is based on calendar 1998 receipts; the net income portion is based on calendar 1998 income (for calendar year filers) or the fiscal income for the full fiscal year ending in 1998 (for fiscal year filers).**

**PLEASE NOTE:** This booklet contains both the **EZ** and **REGULAR** version of the **Business Privilege 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.