2011 BPT   (HJ)   SCHEDULE B

ACCOUNT NUMBER

COMPUTATION OF TAX ON NET INCOME (METHOD II)

→→ *If an amount on the lines below indicate a loss, darken the circle* . ↘

1. Net Income (Loss) as properly reported to the Federal Government................................1.   ○   ☐☐ , ☐☐☐ , ☐☐☐ , ☐☐☐ . 0 0

2. **ADJUSTMENTS** (Per BPT Reg. 404 and Public Law 82-272)

(a) Income net of interest expense attributable to direct obligations of the Federal Government, Pennsylvania or the political subdivisions of Pennsylvania. (If less than zero, enter zero on this line)...2a.   ☐☐ , ☐☐☐ , ☐☐☐ , ☐☐☐ . 0 0

(b) Net Income (Loss) from certain port related activities. (Reg. 302 (19))....................2b.   ○   ☐☐ , ☐☐☐ , ☐☐☐ , ☐☐☐ . 0 0

(c) Net Income (Loss) from specific PUC and ICC business activities. (Reg. 101 (d))...2c.   ○   ☐☐ , ☐☐☐ , ☐☐☐ , ☐☐☐ . 0 0

(d) Net Income (Loss) from Public Law 86-272 activities...2d.   ○   ☐☐ , ☐☐☐ , ☐☐☐ , ☐☐☐ . 0 0

(e) Receipts by corporations of dividends, interest and royalties received from other corporations in the same affiliated group and/or from other corporations of which the receiving corporation owns at least 20% of the stock and/or BPT Regulation §404 (G) adjustments (Reg. 302 (14))...2e.   ☐☐ , ☐☐☐ , ☐☐☐ , ☐☐☐ . 0 0

(f) Line 1 minus Lines 2a through 2e...2f.   ○   ☐☐ , ☐☐☐ , ☐☐☐ , ☐☐☐ . 0 0

(g) All other receipts from other corporations of the same affiliated group. (Reg. 302 (14))...2g.   ☐☐ , ☐☐☐ , ☐☐☐ , ☐☐☐ . 0 0

(h) Gross Receipts per BPT Regulation §404(2)(E)(V)..2h.   ☐☐ , ☐☐☐ , ☐☐☐ , ☐☐☐ . 0 0

(i) Divide Line 2g by Line 2h and enter the result here as a decimal...............................2i.   ☐ . ☐☐☐☐☐

(j) Multiply Line 2f by Line 2i and enter the result here...2j.   ○   ☐☐ , ☐☐☐ , ☐☐☐ , ☐☐☐ . 0 0

(k) All other net income (loss) of taxpayers registered under the PA Securities Act of 1972 EXCEPT for net income from transactions effected for persons residing or having their principal place of business within Philadelphia......................................2k.   ○   ☐☐ , ☐☐☐ , ☐☐☐ , ☐☐☐ . 0 0

3. ADJUSTED NET INCOME (LOSS) [Line 2f minus (Line 2j plus 2k)]..............................3.   ○   ☐☐ , ☐☐☐ , ☐☐☐ , ☐☐☐ . 0 0

4. Total Nonbusiness Income (Loss)..4.   ○   ☐☐ , ☐☐☐ , ☐☐☐ , ☐☐☐ . 0 0

5. Income (Loss) to be apportioned (Line 3 minus Line 4)..................................... 5.   ○   ☐☐ , ☐☐☐ , ☐☐☐ , ☐☐☐ . 0 0

6. Average of Apportionment Factors from Schedule H-2 or C-1, Line 12.......................... 6.   ☐ . ☐☐☐☐☐

7. Income (Loss) apportioned to Philadelphia (Line 5 times Line 6)................................... 7.   ○   ☐☐ , ☐☐☐ , ☐☐☐ , ☐☐☐ . 0 0

8. Nonbusiness Income (Loss) allocated to Philadelphia.. 8.   ○   ☐☐ , ☐☐☐ , ☐☐☐ , ☐☐☐ . 0 0

9. Current year Income (Loss) (Line 7 plus Line 8).. 9.   ○   ☐☐ , ☐☐☐ , ☐☐☐ , ☐☐☐ . 0 0

10. Loss Carry Forward, if any..10.   ☐☐ , ☐☐☐ , ☐☐☐ , ☐☐☐ . 0 0

11. Taxable Income (Loss) (Line 9 minus Line 10)..11.   ○   ☐☐ , ☐☐☐ , ☐☐☐ , ☐☐☐ . 0 0

12. **TAX DUE** (Line 11 times .0645)   If Line 11 is a loss, enter zero...................................12.   ☐☐ , ☐☐☐ , ☐☐☐ , ☐☐☐ . 0 0

Taxpayers registered under the PA Securities Act of 1972 enter the amount of Line 12 onto Schedule H, Line 13. "Regulated Industry" taxpayers enter the amount of Line 12 onto Schedule J, Line 1.

All other taxpayers enter the amount of Line 12 on the Summary Page, Line 1 of the 2011 BPT return. In addition, unincorporated taxpayers also enter the amount of Line 12 onto Schedule K (Supplemental), Line 1.

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ACCOUNT NUMBER

SCHEDULE A - COMPUTATION OF TAX ON NET INCOME (METHOD I)

To be used by taxpayers electing to report net income from the operation of a business in accordance with their accounting system, rather than as reported to and ascertained by the Federal Government.

If an amount on the lines below indicate a loss, darken the circle. ↘

1. Net Income (Loss) per accounting system used plus income taxes deducted in arriving at Net Income, less total nonbusiness income..............   1. ○   ☐☐,☐☐☐,☐☐☐,☐☐☐ . 0 0

2. Net Income (Loss) from certain port related activities.................   2. ○   ☐☐,☐☐☐,☐☐☐,☐☐☐ . 0 0

3. Net Income (Loss) from specific PUC and ICC business activities..............   3. ○   ☐☐,☐☐☐,☐☐☐,☐☐☐ . 0 0

4. Net Income (Loss) from Public Law 86-272 activities.................   4. ○   ☐☐,☐☐☐,☐☐☐,☐☐☐ . 0 0

5. Income (Loss) to be apportioned (Line 1 minus Lines 2, 3 and 4)..............   5. ○   ☐☐,☐☐☐,☐☐☐,☐☐☐ . 0 0

6. Average of Apportionment Factors from Schedule H-2 or C-1, Line 12........   6.   . ☐☐☐☐☐

7. Income (Loss) apportioned to Philadelphia (Line 5 times Line 6).............   7. ○   ☐☐,☐☐☐,☐☐☐,☐☐☐ . 0 0

8. Nonbusiness Income (Loss) allocated to Philadelphia.................   8. ○   ☐☐,☐☐☐,☐☐☐,☐☐☐ . 0 0

9. Current year Income (Loss) (Line 7 plus Line 8)..............   9. ○   ☐☐,☐☐☐,☐☐☐,☐☐☐ . 0 0

10. Loss Carry Forward, if any...........   10.   ☐☐,☐☐☐,☐☐☐,☐☐☐ . 0 0

11. Taxable Income (Loss) (Line 9 minus Line 10).............   11. ○   ☐☐,☐☐☐,☐☐☐,☐☐☐ . 0 0

12. **TAX DUE** (Line 11 times .0645) If Line 11 is a loss, enter zero.................   12.   ☐☐,☐☐☐,☐☐☐,☐☐☐ . 0 0

> Taxpayers registered under the PA Securities Act of 1972 enter the amount of Line 12 onto Schedule H, Line 13.
> "Regulated Industry" taxpayers enter the amount of Line 12 onto Schedule J, Line 1.
> <u>All other taxpayers enter the amount of Line 12 on the Summary Page, Line 1 of the 2011 BPT return.</u>
> In addition, unincorporated taxpayers also enter the amount of Line 12 onto Schedule K (Supplemental), Line 1, below.

SCHEDULE J - COMPUTATION OF THE MAXIMUM BUSINESS PRIVILEGE TAX FOR "REGULATED INDUSTRY" TAXPAYERS

1. Enter the amount of tax from Schedule A, LIne 12 or Schedule B, Line 12.................   1.   ☐☐,☐☐☐,☐☐☐,☐☐☐ . 0 0

2. Enter the amount of tax from Schedule D, Line 11 of the 2011 BPT return.................   2.   ☐☐,☐☐☐,☐☐☐,☐☐☐ . 0 0

3. Enter the amount of tax from Schedule H, Line 9.................   3.   ☐☐,☐☐☐,☐☐☐,☐☐☐ . 0 0

4. Total of Lines 2 and 3.................   4.   ☐☐,☐☐☐,☐☐☐,☐☐☐ . 0 0

5. Enter here and on the Summary Page, Line 2 of the 2011 BPT return the **LESSER** of the tax shown on LIne 1 or Line 4 of this schedule.................   5.   ☐☐,☐☐☐,☐☐☐,☐☐☐ . 0 0

UNINCORPORATED TAXPAYERS SEE SCHEDULE K (SUPPLEMENTAL), LINE 3 FOR ADDITIONAL INSTRUCTIONS.

SCHEDULE K - (SUPPLEMENTAL) COMPUTATION OF THE 2011 BUSINESS PRIVILEGE TAX CREDIT FOR PERSONS SUBJECT TO THE 2011 NET PROFITS TAX. CORPORATIONS DO NOT FILE THIS SCHEDULE.

Taxpayers who are NOT Regulated Industries NOR registered under the PA Securities Act of 1972:

1. Enter the amount of tax from Schedule A, LIne 12 or Schedule B, Line 12.................   1.   ☐☐,☐☐☐,☐☐☐,☐☐☐ . 0 0

Taxpayers who are NOT Regulated Industries NOR registered under the PA Securities Act of 1972:

2. If the amount of tax shown on Schedule H, Line 23 is the SAME as the amount shown on Schedule H, Line 15, enter the amount of tax shown on Schedule H, Line 13. If the amount of tax shown on Schedule H, Line 23 is the SAME as the amount of tax shown on Schedule H, Line 22, PROVIDED THAT the amount of tax shown on Schedule H, Line 20 is the SAME as the amount of tax shown on Schedule H, Line 21, then enter the amount of tax shown on Schedule H, Line 20.   OTHERWISE, enter "zero" and do not complete the rest of this schedule.................   2.   ☐☐,☐☐☐,☐☐☐,☐☐☐ . 0 0

"Regulated Industry" Taxpayers:

3. If the amount of tax shown on Schedule J, Line 5 is the SAME as the amount of tax shown on Schedule J, Line 1, enter the amount of tax shown on Schedule J, Line 1. OTHERWISE, enter "zero" and do not complete the rest of this schedule.................   3.   ☐☐,☐☐☐,☐☐☐,☐☐☐ . 0 0

COMPUTATION OF TAX CREDIT

4. Enter 60% of the amount of tax shown on Line 1, 2, or 3, whichever is applicable and read the instructions below.   4.   ☐☐,☐☐☐,☐☐☐,☐☐☐ . 0 0

PARTNERSHIPS, JOINT VENTURES AND ASSOCIATIONS WHICH ARE COMPOSED OF ONE OR MORE <u>CORPORATE</u> PARTNERS, CORPORATE JOINT VENTURES OR CORPORATE ASSOCIATES: REFER TO SCHEDULE D OF THE 2011 NET PROFITS TAX RETURN.

<u>OTHER PARTNERSHIPS, JOINT VENTURES, ASSOCIATIONS AND INDIVIDUALS:</u> REFER TO SCHEDULE E OF THE 2011 NET PROFITS TAX RETURN AND SEE **LINE 1C OR 1E, WHICHEVER IS APPLICABLE.**

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2011 BPT (HJ) **SCHEDULE H**

COMPUTATION OF TAX ON GROSS RECEIPTS.

ACCOUNT NUMBER

COMPUTATION OF TAX ON GROSS RECEIPTS FOR: (1) TAXPAYERS REGISTERED UNDER THE PENNSYLVANIA SECURITIES ACT OF 1972; (2) PERSONS SUBJECT TO A TAX IMPOSED PURSUANT TO ARTICLE VII, VIII, IX OR XV OF THE TAX REFORM CODE OF 1971 (Banks, Title Insurance Companies & Mutual Thrift Institutions); (3) OTHER FINANCIAL BUSINESSES.

1. Gross Receipts from sales of Stocks, Bonds, Securities, Options, etc........ 1.
2. Cost of Property sold.......... 2.
3. Gross Profit (Line 1 minus Line 2. If a loss, enter "0")............ 3.
4. Other Gross Receipts.......... 4.
5. Total of Line 3 plus Line 4.......... 5.

EXCLUSIONS:

6a. Dividends, Interest, and Royalties received from other corporations of the same affiliated group. (Reg. 302 (14)).......... 6a.
6b. Receipts by corporations of dividends, interest and royalties received from other corporations in the same affiliated group and/or from other corporations of which the receiving corporation owns at least 20% of the stock. (Reg. 302 (14)).......... 6b.
6c. All other receipts from other corporations of the same affiliated group.......... 6c.
6d. Interest received from transactions made with persons resident or having their principal place of business outside Philadelphia.......... 6d.
6e. Interest received on other transactions to the extent of interest expense attributable to such other transactions.......... 6e.
6f. TAXPAYERS REGISTERED UNDER THE PA SECURITIES ACT OF 1972 ONLY: Enter the amounts received from commissions, brokerage fees, and other similar charges on account of transactions affected for persons resident or having their principal place of business outside Philadelphia.......... 6f.
6g. Other exclusions from Schedule D, Lines 5a through 5e.......... 6g.

7. TOTAL EXCLUSIONS (Add Lines 6a through 6g).......... 7.
8. Line 5 minus Line 7.......... 8.
9. TAX ON THE AMOUNT OF LINE 8. (Line 8 times .001415. If Line 8 is a loss, enter "0").......... 9.

"Regulated Industries" as defined in §101(y), enter the amount of Line 9 onto Schedule J, Line 3 and do not complete the rest of this schedule.
"Other Financial Businesses" enter the amount of Line 9 on the Summary Page, Line 2 of the 2011 BPT return and do not complete the rest of this schedule.
Taxpayers registered under the PA Securities Act of 1972 must complete Lines 10 through 23 of this schedule.

10. Enter the amount from Line 8, above.......... 10.
11. ADD the amounts received from commissions, brokerage fees and other similar charges excluded on Line 6f which are attributable to services performed within Philadelphia.......... 11.
12. Line 10 plus Line 11.......... 12.
13. Enter the amount of tax shown on Schedule A, Line 12 or Schedule B, Line 12.......... 13.
14. Enter the amount of tax shown on Line 9, above.......... 14.
15. Enter the total of Line 13 and Line 14 above.......... 15.
16. Enter the amount from Line 12, above.......... 16.
17. Tax due on the amount of Line 16 times .0046. (If Line 16 is a loss, enter "0").......... 17.
18. Tax due on the amount of Line 16 times .0023 (If Line 16 is a loss enter "0").......... 18.
19a. TAXPAYERS WHO ELECTED TO USE METHOD I FOR REPORTING NET INCOME, enter the Net Income (Loss) shown on Schedule A, Line 11.......... 19a.
19b. TAXPAYERS WHO ELECTED TO USE METHOD II FOR REPORTING NET INCOME, enter the Net Income (Loss) shown on Schedule H-1, Line 10.......... 19b.
20. Tax Due on the amount of Line 19a or 19b times .023. (If Line 19 is a loss, enter "0").......... 20.
21. Enter the LESSER of Line 18 or Line 20.......... 21.
22. Enter the total of Line 17 plus Line 21.......... 22.
23. **TAX DUE. ENTER HERE AND ON THE SUMMARY PAGE, LINE 2 OF THE 2011 BPT RETURN THE GREATER OF THE TAX SHOWN ON LINE 15 OR LINE 22**.......... 23.

UNINCORPORATED REGULATED INDUSTRIES SEE SCHEDULE K (SUPPLEMENTAL), LINE 2 FOR ADDITIONAL INSTRUCTIONS.

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SCHEDULE H-1 ALTERNATE COMPUTATION OF NET INCOME FOR TAXPAYERS REGISTERED UNDER THE
PENNSYLVANIA SECURITIES ACT OF 1972 WHO HAVE ELECTED TO USE METHOD II TO REPORT NET INCOME.

1. Enter the adjusted net income (loss) reported on Schedule B, Line 3..........................1. ⃝   .00

1a. Enter the amount shown on Schedule B, Line 2k......................................1a.   .00

2. Line 1 plus Line 1a...2. ⃝   .00

3. Total non-business income (loss)..3. ⃝   .00

4. Income (loss) to be apportioned (Line 2 less Line 3)...........................4. ⃝   .00

5. Apportionment percentage from Schedule H-2, Line 12....................5.   ·

6. Income (loss) to be apportioned to Philadelphia (Line 4 times Line 5)........6. ⃝   .00

7. Non-business Income (loss) allocated to Philadelphia................................7. ⃝   .00

8. Currrent year Income (loss) (Line 6 plus Line 7)......................................8. ⃝   .00

9. Loss Carry Forward, if any...9.   .00

10. NET INCOME (Loss) (Line 8 less Line 9) Enter here and on Schedule H, Line 19B.10. ⃝   .00

SCHEDULE H-2 COMPUTATION OF APPORTIONMENT FACTORS TO BE APPLIED TO APPORTIONABLE NET INCOME.

Calculation of Average Values of Real and Tangible Property Used in Business:

		COLUMN A WITHIN PHILADELPHIA	COLUMN B TOTAL EVERYWHERE
1. Inventories of Raw Materials, Work in Process and Finished Goods...........	**1.**		
2. Land and Buildings Owned (at average original cost)................................	**2.**		
3. Machinery and Equipment Owned (at average original cost)......................	**3.**		
4. Other Tangible Assets Owned (at average original cost)............................	**4.**		
5. Rented Property (at 8 times the net annual rental).....................................	**5.**		
6. Total average value of Property used **WITHIN PHILADELPHIA**.................	**6.**		XXXXXXXXX
7. Total average value of Property used **EVERYWHERE**...............................	**7.**	XXXXXXXXX	

Computation of Apportionment Factors:

8a. Total Average Value of Philadelphia Property from Column A, Line 6 above..... 8a.   .00

8b. Total Average Value of Property Everywhere from Column B, Line 7 above....... 8b.   .00

8c. Philadelphia Property Factor (Line 8a divided by 8b).. 8c.   ·

9a. Philadelphia Payroll.. 9a.   .00

9b. Payroll Everywhere.. 9b.   .00

9c. Philadelphia Payroll Factor (Line 9a divided by 9b).. 9c.   ·

10a. Philadelphia Receipts.. 10a.   .00

10b. Gross Receipts Everywhere... 10b.   .00

10c. Philadelphia Receipts Factor (Line 10a divided by 10b)................................... 10c.   ·

10d. Repeat Line 10c.. 10d.   ·

11. TOTAL FACTORS (Total of Lines 8c, 9c, 10c and 10d).................................... 11.   ·

12. **AVERAGE OF FACTORS**
   (Line 11 divided by applicable number of factors, as explained below)............... 12.   ·

ENTER THIS AVERAGE ON PAGE 2, SCHEDULE A, LINE 6 OR PAGE 1, SCHEDULE B, LINE 6.

Important Note: **You must complete Lines A and B for all factors used**. For taxpayers who apportion
their Net Income in and out of Philadelphia, the 2011 Business Privilege receipts factor is included twice.

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