



CITY OF PHILADELPHIA - DEPARTMENT OF REVENUE
2016 BUSINESS INCOME & RECEIPTS TAX
For business conducted in and out of Philadelphia
DUE DATE: APRIL 18, 2017



2016 BIRT

Taxpayer Name and Address

If this is a change of address, check this box: ☐

If your business terminated in 2016, enter the termination date AND file a CHANGE FORM.

→

YOU MUST COMPLETE WORKSHEET "S" and SCHEDULE "C-1"

If this is an amended return place an "X" here: ☐

COMPUTATION OF TAX DUE OR OVERPAYMENT

1. NET INCOME PORTION OF TAX (from Schedule B, Line 13 or Schedule A, Line 15. If there is no tax due, enter "0".....	1.	<input type="text"/>	.00
2. GROSS RECEIPTS PORTION OF TAX (from Schedule D, Line 13). If there is no tax due, enter "0".....	2.	<input type="text"/>	.00
3. Tax Due for the 2016 Business Income & Receipts Tax (Line 1 plus Line 2).....	3.	<input type="text"/>	.00
4. MANDATORY 2017 BIRT Estimated Payment (See Instructions).....	4.	<input type="text"/>	.00
5. Total Due by 4/18/2017 (Line 3 plus Line 4).....	5.	<input type="text"/>	.00

ESTIMATED PAYMENTS AND OTHER CREDITS

6a. Include any estimated and/or extension payments of 2016 BIRT previously made, and any credit from overpayment of the 2015 BIRT and/or 2016 NPT return.....	6a.	<input type="text"/>	.00
6b. Credit from Special Credit Schedule (SC). (Cannot exceed amount on Line 3).....	6b.	<input type="text"/>	.00
6c. Total payments and credits. (Line 6a plus Line 6b).....	6c.	<input type="text"/>	.00
7. Net Tax Due (Line 5 less Line 6c). If Line 6c is greater than Line 5, enter "0".....	7.	<input type="text"/>	.00
8. Interest and Penalty Refer to web site for current percentage.....	8.	<input type="text"/>	.00
9. TOTAL DUE including Interest and Penalty (Line 7 plus Line 8). Use payment coupon. Make check payable to: "City of Philadelphia".....	9.	<input type="text"/>	.00

OVERPAYMENT OPTIONS If Line 6C is greater than Line 5, enter the amount to be:

10a. Refunded. Do not file a separate Refund Petition	10a.	<input type="text"/>	.00
10b. Applied to the 2016 Net Profits Tax Return.....	10b.	<input type="text"/>	.00
10c. Applied to the 2017 Business Income & Receipts Tax.....	10c.	<input type="text"/>	.00

Under penalties of perjury, as set forth in 18 PA C.S. §§ 4902-4903 as amended, I swear that I have reviewed this return and accompanying statements and schedules, and to the best of my knowledge and belief, they are true and complete.

Taxpayer Signature _____ Date _____ Phone # _____

Preparer Signature _____ Date _____ Phone # _____

2016 BIRT SCHEDULE B

City Account Number

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COMPUTATION OF TAX ON NET INCOME (METHOD II)

Reminder - You must use the same method (METHOD I or METHOD II) that you elected on the first Business Income & Receipts Tax return filed. **If you are using Schedule B, do not complete or file Schedule A.**

Note: If any entry on this schedule exceeds \$999,999,999 - See special mailing instructions below Schedule A.

Place "X" in box to indicate a loss.

1. Net Income (Loss) as properly reported to the Federal Government.....	1.	<input type="checkbox"/>	<input type="text"/>	.00
2. ADJUSTMENTS (Per BIRT Reg. 404 and Public Law 86-272)				
(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.		<input type="text"/>	.00
(b) Net Income (Loss) from certain port related activities. (Reg. 302 (T)).....	2b.	<input type="checkbox"/>	<input type="text"/>	.00
(c) Net Income (Loss) from specific PUC and ICC business activities. (Reg. 101 (D)(3)).....	2c.	<input type="checkbox"/>	<input type="text"/>	.00
(d) Net Income (Loss) from Public Law 86-272 activities.....	2d.	<input type="checkbox"/>	<input type="text"/>	.00
(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 BIRT Regulation §404 (B)(5) adjustments (Reg. 302 (O)).....	2e.		<input type="text"/>	.00
(f) Line 1 minus Lines 2a through 2e.....	2f.	<input type="checkbox"/>	<input type="text"/>	.00
(g) All other receipts from other corporations of the same affiliated group. (Reg. 302 (N)).....	2g.		<input type="text"/>	.00
(h) Gross Receipts per BIRT Regulation §404(B)(5)(e).....	2h.		<input type="text"/>	.00
(i) Divide Line g by Line h and enter the result here.....	2i.	<input type="checkbox"/>	<input type="text"/>	
(j) Multiply Line f by Line i and enter the result here.....	2j.	<input type="checkbox"/>	<input type="text"/>	.00
3. ADJUSTED NET INCOME (LOSS) (Line 2f minus Line 2j).....	3.	<input type="checkbox"/>	<input type="text"/>	.00
4. Total Nonbusiness Income (Loss).....	4.	<input type="checkbox"/>	<input type="text"/>	.00
5. Income (Loss) to be apportioned (Line 3 minus Line 4).....	5.	<input type="checkbox"/>	<input type="text"/>	.00
6. Apportionment factor from Schedule C-1, Line 3.....	6.	<input type="checkbox"/>	<input type="text"/>	
7. Income (Loss) apportioned to Philadelphia (Line 5 times Line 6).....	7.	<input type="checkbox"/>	<input type="text"/>	.00
8. Nonbusiness Income (Loss) allocated to Philadelphia.....	8.	<input type="checkbox"/>	<input type="text"/>	.00
9. Current year Income (Loss) (Line 7 plus Line 8).....	9.	<input type="checkbox"/>	<input type="text"/>	.00
10. Statutory Net Income Deduction from Worksheet S, Line S5. (Must complete Schedule C-1.)	10.		<input type="text"/>	.00
11. Loss Carry Forward, if any.....	11.		<input type="text"/>	.00
12. Taxable Income (Loss). (Line 9 minus Line 10 minus Line 11).....	12.	<input type="checkbox"/>	<input type="text"/>	.00
13. TAX DUE (Line 12 times .0639) If Line 12 is a loss, enter zero.....	13.		<input type="text"/>	.00

ENTER HERE AND ON PAGE 1, LINE 1 OF THIS RETURN.

2016 BIRT SCHEDULE C-1

City Account Number

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For business conducted in and out of Philadelphia

The Department has adopted a **Single Sales/Receipts Factor Apportionment** methodology for BIRT. The Property and Payroll Factors are **no longer used** in the calculation of the Philadelphia Apportionment percentage. The Single Sales/Receipts Factor Apportionment percentage is the ratio of **Philadelphia Sales/Receipts** to **Total Sales/Receipts everywhere**.

The **sourcing** of sales/receipts is the **same as it has been** in prior years. *Receipts* and *Taxable Receipts* are defined at *Philadelphia Code § 19-2601* and explained in Article III of the BIRT Regulations.

<http://www.phila.gov/Revenue/Regulations/BIRT%20Regulations%20Compilation.pdf>

Market-Based Sourcing of Service/Sales for Software Companies

A **Software Company** (as defined by BIRT Regulations Section 101DD) is to source sales/receipts (for both the Receipts and Net Income bases) in accordance with **Market-based sourcing**. That is, the sale of products and the performance of services will be deemed to be the location where the recipient receives the benefit of the products and services.

This schedule must be completed in order to receive the deduction from Worksheet S.

COMPUTATION OF APPORTIONMENT FACTOR TO BE APPLIED TO APPORTIONABLE NET INCOME. YOU MUST COMPLETE SCHEDULE C-1 IF YOU ARE APPORTIONING YOUR INCOME. FAILURE TO INCLUDE THIS SCHEDULE WITH YOUR RETURN MAY RESULT IN THE DISALLOWANCE OF YOUR APPORTIONMENT AND YOU MAY BE BILLED.

- | | | | |
|--|----|---|-----|
| 1. Philadelphia Sales/Receipts (From Schedule D line 6)..... | 1. | <input type="text"/> | .00 |
| 2. Gross Sales/Receipts Everywhere (From Schedule D line 4)..... | 2. | <input type="text"/> | .00 |
| 3. Single Sales/Receipts Apportionment factor (Line 1 divided by 2)..... | 3. | <input type="text"/> . <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> | |

ENTER THE PHILADELPHIA RECEIPTS APPORTIONMENT FACTOR ON SCHEDULE A, LINE 8 OR SCHEDULE B, LINE 6.

DO NOT FILE THIS RETURN if Line 3 is equal to 100%. Use the BIRT-EZ return which is available at www.phila.gov/revenue.

Do not submit Schedule C-1 with the BIRT-EZ return.

2016 BIRT SCHEDULE D
COMPUTATION OF TAX ON GROSS RECEIPTS


City Account Number

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The following taxpayers should not file Schedule D.

- Taxpayers registered under the Pennsylvania Securities Act of 1972;
- 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, Trust Companies, Insurance Companies and Mutual Thrift Institutions)
- Other Financial Businesses

These industries should file Schedules H-J, available on our website at www.phila.gov/revenue.

Do not report negative numbers on this schedule.

1. Gross Receipts from sales and/or rentals of tangible personal property, dividends, interest, royalties, and gains on sale of stocks, bonds and business capital assets.....	1.	<input type="text"/>	.00
2. Gross Receipts from services.....	2.	<input type="text"/>	.00
3. Gross Receipts from rentals of real property.....	3.	<input type="text"/>	.00
4. Total of Lines 1 through 3.....	4.	<input type="text"/>	.00
5. Less exclusions from:			
5a. Sales delivered outside of Philadelphia.....	5a.	<input type="text"/>	.00
5b. Services performed outside of Philadelphia.....	5b.	<input type="text"/>	.00
5c. Rentals of real property outside of Philadelphia.....	5c.	<input type="text"/>	.00
5d. Other (specify).....	5d.	<input type="text"/>	.00
6. Net Taxable Receipts before Statutory Exclusion (Line 4 minus Lines 5a through 5d).....	6.	<input type="text"/>	.00
7. Statutory Exclusion (Lower of Line 6 or \$100,000.00).....	7.	<input type="text"/>	.00
8. Net Taxable Receipts after Statutory Exclusion (Line 6 minus Line 7).....	8.	<input type="text"/>	.00
9. Receipts on which tax is to be computed by the Alternate Method. (Enter here and on Schedule E, Line 1, 5 or 10.).....	9.	<input type="text"/>	.00
10. Receipts subject to tax at the regular rate (Line 8 minus Line 9).....	10.	<input type="text"/>	.00
11. TAX DUE at the regular rate. (Line 10 times .001415).....	11.	<input type="text"/>	.00
12. TAX DUE using the Alternate Method from Schedule E, Line 15, if applicable.....	12.	<input type="text"/>	.00
13. TOTAL TAX DUE (Line 11 plus Line 12).....	13.	<input type="text"/>	.00

Enter here and on Page 1, Line 2 of this return.

Worksheet S - Use to calculate Statutory Net Income Deduction

S1. Enter the lower of Line 6 above or \$100,000.....	S1.	<input type="text"/>	.00
S2. Enter Current Year Income from Line 11 of Schedule A or Line 9 of Schedule B. If loss, enter zero.....	S2.	<input type="text"/>	.00
S3. Enter Net Taxable Receipts from Line 6 above.....	S3.	<input type="text"/>	.00
S4. Divide Line S2 by Line S3. (Cannot be greater than 1.0000).....	S4.	<input type="text"/> . <input type="text"/>	
S5. Statutory Net Income Deduction (Line S1 times Line S4. Cannot exceed \$100,000).....	S5.	<input type="text"/>	.00

Enter here and on Line 12 of Schedule A or Line 10 of Schedule B.

2016 BIRT SCHEDULE A**COMPUTATION OF TAX ON NET INCOME (METHOD I)**

City Account Number

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To be used by taxpayers electing to report net income from the operation of a business in accordance with their accounting system, after subtracting from gross receipts the cost of goods sold and all ordinary and necessary expenses of doing business, rather than as reported to and ascertained by the Federal Government.

Reminder - You must use the same method (METHOD I or METHOD II) that you elected on the first Business Income & Receipts Tax return filed. **If you are using Schedule A, do not complete or file Schedule B.**

Note: If any entry on this schedule exceeds \$999,999,999 - See special mailing instructions below.

Place "X" in box to indicate a loss.



1. Net Income (Loss) per accounting system used plus income taxes deducted in arriving at Net Income.....	1.	<input type="checkbox"/>	<input type="text"/>	.00
2. Net Income (Loss) from certain port related activities.....	2.	<input type="checkbox"/>	<input type="text"/>	.00
3. Net Income (Loss) from specific PUC and ICC business activities.....	3.	<input type="checkbox"/>	<input type="text"/>	.00
4. Net Income (Loss) from Public Law 86-272 activities.....	4.	<input type="checkbox"/>	<input type="text"/>	.00
5. Adjusted Net Income (Loss) (Line 1 minus Lines 2, 3 and 4).....	5.	<input type="checkbox"/>	<input type="text"/>	.00
6. Total Nonbusiness Income (Loss).....	6.	<input type="checkbox"/>	<input type="text"/>	.00
7. Income (Loss) to be apportioned (Line 5 minus Line 6).....	7.	<input type="checkbox"/>	<input type="text"/>	.00
8. Apportionment factor from Schedule C-1, Line 3.....	8.	<input type="checkbox"/>	<input type="text"/>	
9. Income (Loss) apportioned to Philadelphia (Line 7 times Line 8).....	9.	<input type="checkbox"/>	<input type="text"/>	.00
10. Nonbusiness Income (Loss) allocated to Philadelphia.....	10.	<input type="checkbox"/>	<input type="text"/>	.00
11. Current year Income (Loss) (Line 9 plus Line 10).....	11.	<input type="checkbox"/>	<input type="text"/>	.00
12. Statutory Net Income Deduction from Worksheet S, Line S5 (Must complete Schedule C-1.).....	12.		<input type="text"/>	
13. Loss Carry Forward, if any.....	13.		<input type="text"/>	.00
14. Taxable Income (Loss). (Line 11 minus Line 12 minus Line 13).....	14.	<input type="checkbox"/>	<input type="text"/>	.00
15. TAX DUE (Line 14 times .0639) If Line 14 is a loss, enter zero.....	15.		<input type="text"/>	.00

ENTER HERE AND ON PAGE 1, LINE 1 OF THIS RETURN.

Special Mailing Instructions for Schedules A and B

If your entry for any line exceeds 999,999,999., include a cover letter with your return indicating the correct entries for Schedule A or B and request manual processing of the return to assure proper entry of your accounting data.

2016 BIRT SCHEDULE E
COMPUTATION OF TAX ON GROSS RECEIPTS


City Account Number

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ALTERNATE METHOD OF COMPUTING TAX ON GROSS RECEIPTS

(To be used by Manufacturers, Wholesalers and Retailers electing to use the Alternate Method of computation.)

SEE BUSINESS INCOME AND RECEIPTS TAX REGULATIONS (SECTION 305) AT WWW.PHILA.GOV/REVENUE.**A. MANUFACTURERS**

- | | | | |
|---|----|----------------------|-----|
| 1. Receipts on which tax is to be computed by the Alternate Method (from Schedule D, Line 9)..... | 1. | <input type="text"/> | .00 |
| 2. Cost of goods sold for the receipts reported on Line 1..... | 2. | <input type="text"/> | .00 |
| 3. TAX BASE (Line 1 minus Line 2)..... | 3. | <input type="text"/> | .00 |
| 4. TAX DUE (Line 3 times .0234). If Line 3 is a loss, enter zero..... | 4. | <input type="text"/> | .00 |

B. WHOLESALERS

- | | | | |
|---|-----|----------------------|-----|
| 5. Receipts on which tax is to be computed by the Alternate Method (from Schedule D, Line 9)..... | 5. | <input type="text"/> | .00 |
| 6. Applicable Cost of Goods for the receipts reported on Line 5: | | | |
| (a) Cost of material..... | 6a. | <input type="text"/> | .00 |
| (b) Cost of Labor..... | 6b. | <input type="text"/> | .00 |
| 7. TOTAL APPLICABLE COST OF GOODS (Line 6a plus 6b)..... | 7. | <input type="text"/> | .00 |
| 8. TAX BASE (Line 5 minus Line 7)..... | 8. | <input type="text"/> | .00 |
| 9. TAX DUE (Line 8 times .0329). If Line 8 is a loss, enter zero..... | 9. | <input type="text"/> | .00 |

C. RETAILERS

- | | | | |
|--|------|----------------------|-----|
| 10. Receipts on which tax is to be computed by the Alternate Method (from Schedule D, Line 9)..... | 10. | <input type="text"/> | .00 |
| 11. Applicable Cost of Goods for the receipts reported on Line 10: | | | |
| (a) Cost of material..... | 11a. | <input type="text"/> | .00 |
| (b) Cost of Labor..... | 11b. | <input type="text"/> | .00 |
| 12. TOTAL APPLICABLE COST OF GOODS (Line 11a plus 11b)..... | 12. | <input type="text"/> | .00 |
| 13. TAX BASE (Line 10 minus Line 12)..... | 13. | <input type="text"/> | .00 |
| 14. TAX DUE (Line 13 times .0078). If Line 13 is a loss, enter zero..... | 14. | <input type="text"/> | .00 |
| 15. TOTAL TAX DUE (Total of Lines 4, 9 and 14)..... | 15. | <input type="text"/> | .00 |

Enter the amount from Line 15 on Schedule D, Line 12.