



CITY OF PHILADELPHIA
DEPARTMENT OF REVENUE
**2019 BUSINESS INCOME
& RECEIPTS TAX**



2019 BIRT
DUE DATE: APRIL 15, 2020

For business conducted in and out of Philadelphia

City Account Number

Taxpayer Name and Address

EIN

SSN

Taxpayer E-mail Address

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

If your business terminated in 2019, 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.
- 2. GROSS RECEIPTS PORTION OF TAX (from Schedule D, Line 13). If there is no tax due, enter "0"..... 2.
- 3. Tax Due for the 2019 Business Income & Receipts Tax (Line 1 plus Line 2)..... 3.
- 4. **MANDATORY 2020 BIRT Estimated Payment (See Instructions)**..... 4.
- 5. Total Due by **4/15/2020** (Line 3 plus Line 4)..... 5.

ESTIMATED PAYMENTS AND OTHER CREDITS

- 6a. Include any estimated and/or extension payments of 2019 BIRT previously made, and any credit from overpayment of the 2018 BIRT and/or 2019 NPT return..... 6a.
- 6b. Credit from Special Credit Schedule (SC). (Cannot exceed amount on Line 3)..... 6b.
- 6c. Total payments and credits. (Line 6a plus Line 6b)..... 6c.
- 7. Net Tax Due (Line 5 less Line 6c). If Line 6c is greater than Line 5, enter "0"..... 7.
- 8. Interest and Penalty Refer to web site for current percentage..... 8.
- 9. **TOTAL DUE** including Interest and Penalty (Line 7 plus Line 8). Use payment coupon. Make check payable to: "City of Philadelphia"..... 9.

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.
- 10b. Applied to the 2019 Net Profits Tax Return..... 10b.
- 10c. Applied to the 2020 Business Income & Receipts Tax..... 10c.

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 # _____





2019 BIRT SCHEDULE B

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.**

Place "X" in box to indicate a loss. ▾

| | | | |
|---|-----|----------------------|----------------------|
| 1. Net Income (Loss) as properly reported to the Federal Government..... | 1. | <input type="text"/> | <input type="text"/> |
| 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"/> | <input type="text"/> |
| (b) Net Income (Loss) from certain port related activities. (Reg. 302 (T))..... | 2b. | <input type="text"/> | <input type="text"/> |
| (c) Net Income (Loss) from specific PUC and ICC business activities. (Reg. 101 (D)(3))..... | 2c. | <input type="text"/> | <input type="text"/> |
| (d) Net Income (Loss) from Public Law 86-272 activities..... | 2d. | <input type="text"/> | <input type="text"/> |
| (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"/> | <input type="text"/> |
| (f) Line 1 minus Lines 2a through 2e..... | 2f. | <input type="text"/> | <input type="text"/> |
| (g) All other receipts from other corporations of the same affiliated group. (Reg. 302 (N))..... | 2g. | <input type="text"/> | <input type="text"/> |
| (h) Gross Receipts per BIRT Regulation §404(B)(5)(e)..... | 2h. | <input type="text"/> | <input type="text"/> |
| (i) Divide Line g by Line h and enter the result here..... | 2i. | <input type="text"/> | <input type="text"/> |
| (j) Multiply Line f by Line i and enter the result here..... | 2j. | <input type="text"/> | <input type="text"/> |
| 3. ADJUSTED NET INCOME (LOSS) (Line 2f minus Line 2j)..... | 3. | <input type="text"/> | <input type="text"/> |
| 4. Total Nonbusiness Income (Loss)..... | 4. | <input type="text"/> | <input type="text"/> |
| 5. Income (Loss) to be apportioned (Line 3 minus Line 4)..... | 5. | <input type="text"/> | <input type="text"/> |
| 6. Apportionment Percentage from Schedule C-1, Line 3..... | 6. | <input type="text"/> | <input type="text"/> |
| 7. Income (Loss) apportioned to Philadelphia (Line 5 times Line 6)..... | 7. | <input type="text"/> | <input type="text"/> |
| 8. Nonbusiness Income (Loss) allocated to Philadelphia..... | 8. | <input type="text"/> | <input type="text"/> |
| 9. Current year Income (Loss) (Line 7 plus Line 8)..... | 9. | <input type="text"/> | <input type="text"/> |
| 10. Statutory Net Income Deduction from Worksheet S, Line S5. (Must complete Schedule C-1.)..... | 10. | <input type="text"/> | <input type="text"/> |
| 11. Loss Carry Forward, if any..... | 11. | <input type="text"/> | <input type="text"/> |
| 12. Taxable Income (Loss). (Line 9 minus Line 10 minus Line 11)..... | 12. | <input type="text"/> | <input type="text"/> |
| 13. TAX DUE (Line 12 times .0625) If Line 12 is a loss, enter zero..... | 13. | <input type="text"/> | <input type="text"/> |

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





2019 BIRT SCHEDULE C-1

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.

www.phila.gov/revenue/birt-regs

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. | _____ |
| 2. Gross Sales/Receipts Everywhere (From Schedule D line 4)..... | 2. | _____ |
| 3. Single Sales/Receipts Factor Apportionment Percentage (Line 1 divided by 2)..... | 3. | _____ . _____ |

ENTER THE PHILADELPHIA RECEIPTS FACTOR APPORTIONMENT PERCENTAGE 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.





2019 BIRT SCHEDULE D
COMPUTATION OF TAX ON GROSS RECEIPTS

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"/> |
| 2. Gross Receipts from services..... | 2. | <input type="text"/> |
| 3. Gross Receipts from rentals of real property..... | 3. | <input type="text"/> |
| 4. Total of Lines 1 through 3..... | 4. | <input type="text"/> |
| 5. Less exclusions from: | | |
| 5a. Sales delivered outside of Philadelphia..... | 5a. | <input type="text"/> |
| 5b. Services performed outside of Philadelphia..... | 5b. | <input type="text"/> |
| 5c. Rentals of real property outside of Philadelphia..... | 5c. | <input type="text"/> |
| 5d. Other (specify)..... | 5d. | <input type="text"/> |
| 6. Net Taxable Receipts before Statutory Exclusion (Line 4 minus Lines 5a through 5d)..... | 6. | <input type="text"/> |
| 7. Statutory Exclusion (Lower of Line 6 or \$100,000.00)..... | 7. | <input type="text"/> |
| 8. Net Taxable Receipts after Statutory Exclusion (Line 6 minus Line 7)..... | 8. | <input type="text"/> |
| 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"/> |
| 10. Receipts subject to tax at the regular rate (Line 8 minus Line 9)..... | 10. | <input type="text"/> |
| 11. TAX DUE at the regular rate. (Line 10 times .001415)..... | 11. | <input type="text"/> |
| 12. TAX DUE using the Alternate Method from Schedule E, Line 15, if applicable..... | 12. | <input type="text"/> |
| 13. TOTAL TAX DUE (Line 11 plus Line 12)..... | 13. | <input type="text"/> |

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"/> <input type="text"/> <input type="text"/> <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.



CITY OF PHILADELPHIA
DEPARTMENT OF REVENUE
2019 BIRT SCHEDULE A



City Account Number
[]
[]

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, 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.**

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. | [] | [] |
| 2. Net Income (Loss) from certain port related activities..... | 2. | [] | [] |
| 3. Net Income (Loss) from specific PUC and ICC business activities..... | 3. | [] | [] |
| 4. Net Income (Loss) from Public Law 86-272 activities..... | 4. | [] | [] |
| 5. Adjusted Net Income (Loss) (Line 1 minus Lines 2, 3 and 4)..... | 5. | [] | [] |
| 6. Total Nonbusiness Income (Loss)..... | 6. | [] | [] |
| 7. Income (Loss) to be apportioned (Line 5 minus Line 6)..... | 7. | [] | [] |
| 8. Apportionment Percentage from Schedule C-1, Line 3..... | 8. | [] | [] |
| 9. Income (Loss) apportioned to Philadelphia (Line 7 times Line 8)..... | 9. | [] | [] |
| 10. Nonbusiness Income (Loss) allocated to Philadelphia..... | 10. | [] | [] |
| 11. Current year Income (Loss) (Line 9 plus Line 10)..... | 11. | [] | [] |
| 12. Statutory Net Income Deduction from Worksheet S, Line S5 (Must complete Schedule C-1.)..... | 12. | [] | [] |
| 13. Loss Carry Forward, if any..... | 13. | [] | [] |
| 14. Taxable Income (Loss). (Line 11 minus Line 12 minus Line 13)..... | 14. | [] | [] |
| 15. TAX DUE (Line 14 times .0625) If Line 14 is a loss, enter zero..... | 15. | [] | [] |

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



CITY OF PHILADELPHIA
DEPARTMENT OF REVENUE
2019 BIRT SCHEDULE E
COMPUTATION OF TAX ON GROSS RECEIPTS



City Account Number
[]
[]

ALTERNATE METHOD OF COMPUTING TAX ON GROSS RECEIPTS, MUST COMPLETE SCHEDULE D.
(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. []
- 2. Cost of goods sold for the receipts reported on Line 1..... 2. []
- 3. TAX BASE (Line 1 minus Line 2)..... 3. []
- 4. **TAX DUE** (Line 3 times .0234). If Line 3 is a loss, enter zero..... 4. []

B. WHOLESALERS

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

C. RETAILERS

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

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



CITY OF PHILADELPHIA - DEPARTMENT OF REVENUE
2019 BIRT SCHEDULE SC
 SPECIAL CREDIT SCHEDULE



City Account Number

Important Note

Schedule SC is to be used by a taxpayer participating in any of the BIRT Tax Credit Programs (listed below) in order to claim the applicable credit on their 2019 BIRT return. A taxpayer must have made an application to participate in and been accepted into the respective program by the Revenue Department. Also, the taxpayer must fulfill all statutory and regulatory requirements to participate in the respective Tax Credit Program (e.g., entering into commitment agreements with the Department and complying with its terms and conditions, tax compliance, etc.). A taxpayer not meeting all the requirements for participation in the respective BIRT Tax Credit Program will not receive the applicable credit.

For more information on the various BIRT Tax Credit Programs, please refer to the Department's website at <http://www.phila.gov/Revenue/taxpro/Pages/TaxCredits.aspx>.

| | | |
|--|-----|-------|
| 1. Credit for Contributions to Community Development Corporations, (Nonprofit Organizations engaged in developing and implementing Healthy Food Initiatives and Nonprofit Intermediaries)..... | 1. | _____ |
| 2. Credit for New Job Creation..... | 2. | _____ |
| 3. Green Roof Tax Credit..... | 3. | _____ |
| 4. Philadelphia Re-Entry Employment Program for Returning Citizens Tax Credit ("PREP")..... | 4. | _____ |
| 5. Sustainable Business Tax Credit..... | 5. | _____ |
| 6. Credit for Employment of Returning Veterans of the Armed Forces..... | 6. | _____ |
| 7. Life Partner and Transgender Care Health Benefits Tax Credits..... | 7. | _____ |
| 8. Distressed Business Tax Credit..... | 8. | _____ |
| 9. Keystone Opportunity Zones Tax Credits (KOZ/KOEZ/KOIZ) from KOZ Worksheet Line 10..... | 9. | _____ |
| 10. Strategic Development Area Tax Credit..... | 10. | _____ |
| 11. Economic Development District Tax Credit..... | 11. | _____ |
| 12. Healthy Beverage Tax Credit..... | 12. | _____ |
| 13. TOTAL CREDITS (Add Lines 1 through 12)..... | 13. | _____ |

Enter the amount of Line 13 on Page 1, Line 6b of the 2019 BIRT or BIRT-EZ Return. (Cannot exceed amount on Page 1, Line 3.)



2019 BIRT and NPT Returns
WORKSHEET N
New Business and Employment Worksheet
(Philadelphia Code 19-3800)



City Account Number

To be used by taxpayers who are claiming new business status under Philadelphia code 19-3800.

Taxpayer must first complete the eligibility questionnaire to use this worksheet.

For Business Income & Receipts Tax Long Form Filers

COMPUTATION OF TAX ON NET INCOME

- 1. Enter the amount of taxable income from Schedule A, Line 14 or Schedule B, Line 12.
To report a net loss, check the box..... 1.
- 2. Tax Due as computed for new business..... 2.
Enter the amount of Line 2 on BIRT Page 1, Line 1 and if liable, NPT Page 1, Line 11.

COMPUTATION OF TAX ON GROSS RECEIPTS

- 3. Enter the taxable gross receipts from Schedule D, Line 8..... 3.
- 4. Tax Due as computed for new business..... 4.
Enter the amount of Line 4 on BIRT Page 1, Line 2.

For Business Income & Receipt Tax - EZ Filers

COMPUTATION OF TAX ON NET INCOME

- 1. Enter the amount of taxable income from BIRT-EZ Page 2, Line 5
To report a net loss, check the box..... 1.
- 2. Tax Due as computed for new business..... 2.
Enter the amount of Line 2 on BIRT-EZ Page 1, Line 1 and if liable, NPT Page 1, Line 11.

COMPUTATION OF TAX ON GROSS RECEIPTS

- 3. Enter the taxable gross receipts from BIRT-EZ Page 2, Line 10..... 3.
- 4. Tax Due as computed for new business..... 4.
Enter the amount of Line 4 on BIRT-EZ Page 1, Line 2.

For Business Income & Receipts Tax Schedule H-J Filers

COMPUTATION OF TAX ON NET INCOME

- 1. Enter the amount of taxable income from Schedules H-J (Schedule A or B),
Line 12 or (Schedule H-1), Line 11. To report a net loss, check the box..... 1.
- 2. Tax Due as computed for new business..... 2.
Enter the amount of Line 2 on BIRT Page 1, Line 1 and if liable, NPT Page 1, Line 11.

COMPUTATION OF TAX ON GROSS RECEIPTS

- 3. Enter the taxable gross receipts from Schedule H-J (Schedule H), Line 10 or 24..... 3.
- 4. Tax Due as computed for new business..... 4.
Enter the amount of Line 4 on BIRT Page 1, Line 2.

Important Note: Use Worksheet N to complete Page 1 of the BIRT return and if liable, Page 1 of the NPT return, Line 11.

