

Revenue 101

Educational Series
for Landlords
April 25, 2024



CITY OF PHILADELPHIA
DEPARTMENT OF REVENUE





What do we do?

The Department of Revenue collects taxes, water charges, and other fees and fines to provide funding for the School District of Philadelphia and City of Philadelphia.

These funds support crucial services such as trash collection, snow removal, police and fire protection, parks, libraries, and more.



Presenting



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Homestead Exemption

phila.gov/homestead

- Saves up to \$1,119 on Real Estate taxes
- Applicants must own live in the home as their primary residence
- Application deadline is December 1st each year!
- **Homestead Hotline** at 215-686-9200

No age or income requirements



Senior Citizen Real Estate Tax Freeze

phila.gov/senior-freeze

- A person 65 years or older
- Taxes are “frozen,” preventing bills from increasing in the future
- Applicants must live in the home as their primary residence
- Income of \$33,500 (single); \$41,500 (married couple) or less
- Must provide proof of age and income
- Deadline to apply is September 30 each year



Longtime Owner Occupants Program (LOOP) phila.gov/LOOP

LOOP is a Real Estate Tax relief program for income-eligible homeowners whose property assessments increased by at least 50% from one year to another or at least 75% in the last five years (2019).

It caps their assessment and stops increases to future Real Estate Tax bills.

Applicants must:

- lived in their home for 10 years or more.
- meet income requirements (HUD)

The deadline to apply is September 30 every year*

**Cannot be combined with Homestead – applicants must choose on their own; we are not to offer guidance.*

LOOP calculator

To determine if you qualify for LOOP, you will need your current and previous five year assessments. You can find these values at property.phila.gov. Remember, you cannot have the Homestead Exemption and LOOP at the same time.

1. Do you qualify?

- I have lived in my home for 10 years or more
- My income falls at or below the maximum income limits for my family size (below)
- My home has increased in value by at least 50% from last year **or** 75% over the last 5 years (check your math!) →
- My property taxes are paid, or I am enrolled in a payment or installment plan

2023 Income Requirements

Family Size	Maximum Income
1 person	\$96,100
2 people	\$109,800
3 people	\$123,550
4 people	\$137,250
5 people	\$148,250
6 people	\$159,250
7 people	\$170,200
8 people	\$181,200

LOOP or Homestead? How to choose

You will want to estimate your Real Estate Tax bill with both LOOP and the Homestead Exemption.

If you enter into LOOP and then leave the program, you cannot re-enter LOOP later. (You may re-apply if you qualify again in the future for a different year's assessment.)

Only you can decide which program is best for your household. You will need evaluate what matters most to you: savings now or savings in the future.

2A. Calculate the percent increase

2023 assessment

÷ Last year's assessment

If the result is 1.5 or more, your assessment qualifies you for LOOP.

OR

2B. Calculate the percent increase

2023 assessment

÷ The lowest assessment from the previous 5 years (2018)

If the result is 1.75 or more, your assessment qualifies you for LOOP.

3A. Estimate your Real Estate tax bill with LOOP

Last year's assessment if you qualify at a 50% increase **OR** the lowest assessment in the last 5 years if you qualify at a 75% increase

x Your assessment is capped at this amount, depending on your eligibility

The result is the maximum assessment amount we will use to calculate your Real Estate Tax. Now, multiply that by the tax rate: .013998

x

This is your estimated tax bill with LOOP

AND

3B. Estimate your Real Estate Tax bill with Homestead

2023 Assessment

— Subtract the value of the Homestead Exemption

The result is the amount we use to calculate your Real Estate Tax. Now, multiply that by the tax rate: .013998

x

This is your estimated tax bill with the Homestead Exemption

Longtime Owner Occupants Program (LOOP) phila.gov/LOOP

How to calculate the percent increase? 2023 assessment ÷ Last year's assessment

If the result is 1.5 or more, your assessment qualifies for LOOP

EXAMPLE:

$$\frac{\$250,000 \text{ 2024 assessment}}{\$155,000 \text{ Last year's assessment}} = 1.61 \text{ increase} - \text{You qualify for LOOP!}$$



Real Estate Tax Installment Program

phila.gov/installment-plan

- Residents who own and occupy their homes can pay their Real Estate bill in monthly payments instead of the lump-sum annual payment
- Income guidelines apply
- **Seniors 65 years or older are eligible regardless of income**
- Once enrolled, participants are auto-enrolled every year thereafter
- Deadline to apply is March 31st



Owner-Occupied Payment Agreements (OOPA)

phila.gov/OOPA

- Residents who own and occupy their homes can make monthly payments on past due taxes or current if they can't pay in full by March 31st
- Payments are based on household income with no down payment.
- Some households can qualify for a \$0 a month agreement, which waives some or all interest and penalties.
- Sheriff sale protection



Real Estate Tax Credit for Active Duty & National Guard

phila.gov/active-duty-tax-credit

- This program provides a tax credit for members called to active duty anywhere outside of Pennsylvania

Eligibility Requirements

- Be a member of the U.S. Armed Forces or National Guard
- Own the property and use it as primary residence
- Provide documented proof of days served



Handles billing



Delivers safe, drinking water and runs metering and operational infrastructure.

Residential Shutoffs

water.phila.gov/care

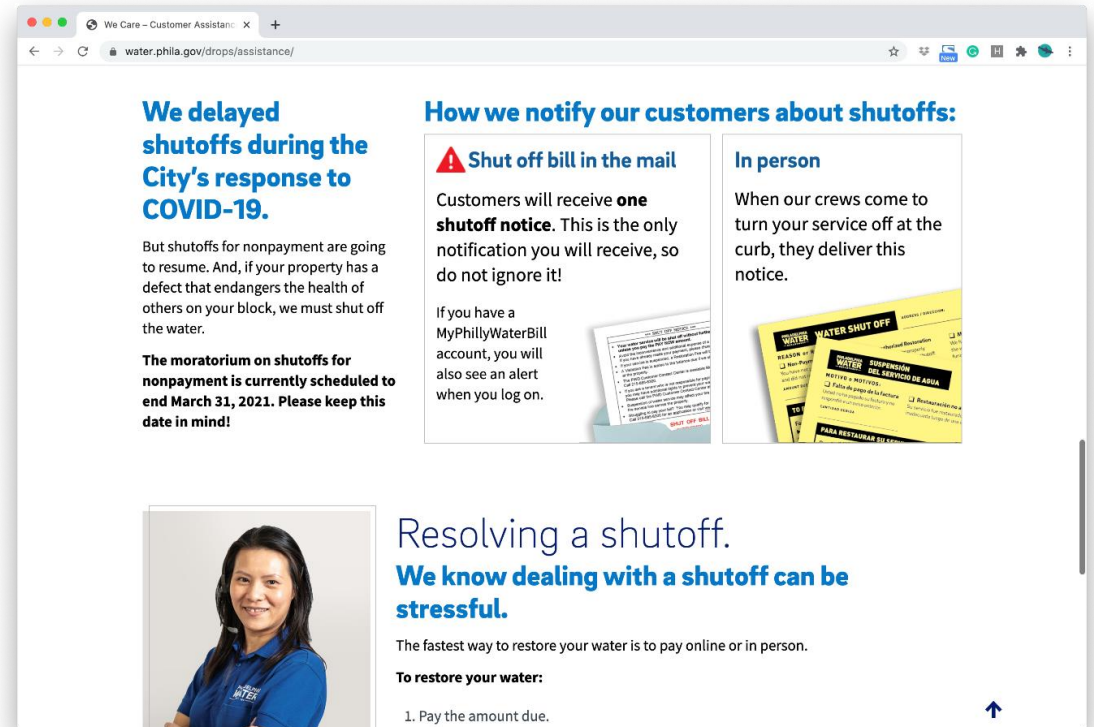
Shutoffs resumed April 1st Call (215) 685-6300

Raise Your Hand initiative

Customers are to call (215) 685-6300

- ✓ Children
- ✓ Seniors
- ✓ People with disabilities
- ✓ Seriously ill

*no proof required.



The screenshot shows a web browser window with the URL water.phila.gov/drops/assistance/. The page content includes:

- We delayed shutoffs during the City's response to COVID-19.** But shutoffs for nonpayment are going to resume. And, if your property has a defect that endangers the health of others on your block, we must shut off the water. **The moratorium on shutoffs for nonpayment is currently scheduled to end March 31, 2021. Please keep this date in mind!**
- How we notify our customers about shutoffs:**
 - Shut off bill in the mail:** Customers will receive **one shutoff notice**. This is the only notification you will receive, so do not ignore it! If you have a MyPhillyWaterBill account, you will also see an alert when you log on.
 - In person:** When our crews come to turn your service off at the curb, they deliver this notice.
- Resolving a shutoff.** **We know dealing with a shutoff can be stressful.** The fastest way to restore your water is to pay online or in person. **To restore your water:**
 1. Pay the amount due.



We Care

More ways to help with your water bill.

water.phila.gov/care

- **Tiered Assistance Program (TAP)**
 - household's income is 150% or less of the Federal Poverty Level (FPL).
- **Special Hardships**
 - Such as Loss of Job
- **Senior Citizen Discount**
- **Payment Agreements**
 - Residential and commercial
- **Debt Forgiveness**



We Care

More ways to help with your water bill.

Tiered Assistance Program (TAP)

- ▶ **More eligibility** includes Special Hardships.
- ▶ **You don't need to be behind on your bill** to apply for help.
- ▶ **One application** to find the best program for you.
- ▶ **More ways to apply:** online, mail, with partner help
- ▶ **Debt Forgiveness** with every payment made



Lost your job or other difficulties?

All about Special Hardships:

Even if your household income is higher than Tiered Assistance Program (TAP) limits, you may still be eligible by showing that you are experiencing circumstances like:

- Household grew
- Loss of job
- Serious Illness
- Loss of a family member
- Domestic violence



Standard Water Payment Agreements

Standard payment agreements allow customers to make monthly payments on past-due water bills. There are no age or income requirements!

- Requires 25% down payment
 - Balance divided into 6-12 monthly payments
 - Customers must pay current bill plus amount of the agreement
 - Bill must be in your name
- *Commercial has different criteria

Customer Service





MUNICIPAL SERVICES CENTER

1401 John F Kennedy Blvd
Concourse Level
Philadelphia, PA 19102
8am – 5pm

~~NORTH PHILADELPHIA~~

~~Hope Plaza
22nd & Somerset
8:30am – 5pm~~

*North Philly office
still closed!*

NORTHEAST PHILADELPHIA

7522 Castor Ave
8:30am – 5pm
**no cash payments*

Interpreter services available in person or over the phone



Ways to Pay Taxes & Water bills

ONLINE

phila.gov/pay

We strongly encourage taxpayers to pay electronically; e-check is FREE of charges

PHONE

Property Taxes: (877) 309-3710*

Water bills: (877) 309-3709

*phila.gov/revenue/contact-us

MAIL

Department of Revenue

P.O. Box 8409

Philadelphia, PA 19101-8409

Water Revenue Bureau

P.O. Box 41496

Philadelphia, PA 19101-1496



Contact Us

E-MAIL:

revenue@phila.gov

refundunit@phila.gov

biztaxcredits@phila.gov

tax.clearance@phila.gov

revenuetaxadvisors@phila.gov




ALL OTHER TAXES:

(215) 686-6600

REAL ESTATE:

(215) 686-6442



Revenue is available to support your next event

- Our outreach staff can provide information to support your community group's mission
 - Real Estate Tax and Water assistance programs
 - Present for community groups
 - Attend resource fairs (as in-person events grow)
 - Neighborhood pop-ups, conference calls, video presentations
 - Toolkits on tax topics
 - Business taxes and payment plans



CAUTION – This presentation is just one step in understanding tax compliance and responsibilities

Obtaining a tax account:

- In order to pay Philadelphia taxes, you will need a **Philadelphia Tax Identification Number** (PHTIN).
- You also need a PHTIN to get a Commercial Activity License (CAL), which is required to do any business in Philadelphia.
- You can register your business as a new taxpayer on the Philadelphia Tax Center.
- If you can't apply online, you can use a paper application for a business tax account instead. You can also use the same form to apply for a Commercial Activity License (CAL) and Wage Tax withholding account.

Top Business Taxes





City of Philadelphia Current Tax Rates

Be aware that tax rates change.

BIRT – for 2023 tax year

- Tax on Net Income – 5.81%
- Tax on Gross Receipts – 1.415 mills (.001415)

Wage/Earnings - effective 7/1/2023

- Resident – 3.75%
- Non-resident – 3.44%

NPT – for 2023 tax year

- Resident – 3.75% of net profits
- Non-resident – 3.44% of net profits

School Income Tax – 3.75% for 2023 tax year



It is important to keep business records separate from personal records for taxes

- Business owners should never mix business records with personal records
- You should always keep detailed accounting records of your business receipts and expenses on a monthly basis
 - Keep invoices, receipts, and track profits for tax purposes
- Always seek advice from a CPA or tax advisor who understands your business
 - The Business Resource and Innovation Center (BRIC) at the Free Library (Parkway Central Library) offers free appointments with accountants and other resources for small businesses



Philadelphia has two major business taxes

Business Income and Receipts Tax (BIRT) – phila.gov/revenue/BIRT

Every entity doing business in the City of Philadelphia is subject to the BIRT, which has two components: tax on gross receipts and tax on net income.

Net Profits Tax (NPT)

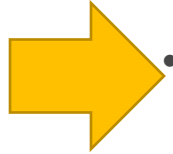
All partnerships, limited liability partnerships, and sole proprietorships doing business in the City of Philadelphia, or having partners or owners living in the City of Philadelphia, are subject to the NPT.

Business Income and Receipts Tax (BIRT)

BIRT has two parts



1. **Tax on Gross Receipts (the amount of all your sales in Philadelphia)** - The current rate is $.001415 \times$ your total sales



- The first \$100,000 of your sales are excluded. If your Philadelphia sales are less than \$100,000, you do not have to file a BIRT return. But you should file a **No Tax Liability** form instead.
- If you have more than \$100,000 in sales, even if you have a loss, you must still pay the tax on Gross Receipts.



2. **Tax on Net Income (the amount of your profit)** – the 2023 rate is 5.81% tax rate

- You'll use your Federal Tax form Schedule C (for sole proprietor)
- ALWAYS USE THE CORRECT FORM FOR THE CORRECT YEAR. RATES CHANGE FROM YEAR TO YEAR

The due date is the same as your federal taxes

If you have a tax liability, you will need to make an estimated tax payment for following year

The most important thing to know about Business Income and Receipts Tax (BIRT):

The first \$100,000 of your sales are not taxed.

If your Philadelphia sales are less than \$100,000, you do not have to file a BIRT return.

But you should file a **No Tax Liability** form instead.

2023 City of Philadelphia BUSINESS INCOME & RECEIPTS TAX

Entity Classification (**MUST** select one):
 Individual/ Sole Proprietor Corporation Partnership Estate Trust

2023 NTL
DUE DATE: APRIL 15, 2024

PHTIN

EIN

SSN

Business Name

First Name MI Last Name

Street Address Apt / Suite

City State Zip / Postal Code

Taxpayer E-mail Address

Check Box If Applies: Address Change Amended Return Final Return: - -

(add Cease Date)

Instructions

Philadelphia's Business Income and Receipts Tax (BIRT) return includes a taxable gross receipts exclusion of \$100,000. Beginning with tax year 2020, a taxpayer who has Philadelphia taxable gross receipts of \$100,000 or less –and as a result, owes no BIRT– is not required to file this return.

If you have Philadelphia gross taxable receipts of \$100,000 or less, and you choose not to file the BIRT return, please complete this No Tax Liability (NTL) form by:

1. Completing the taxpayer information above, **and**
2. Signing below.

By doing so, you will avoid any non-filer issues. This NTL form allows you and the Department of Revenue to maintain consistent records of tax compliance.

Even if you don't owe BIRT this year, and choose not to file a return, **you may still owe Net Profits Tax (NPT)**. You may choose to file a BIRT return when you have a loss to report, even when there is no obligation to file a return. Whether or not you file a return, you must maintain records in the event of an audit, and to carryforward any net operating loss to a future year. An NTL form does not record net operating losses from year to year. Please consult your tax professional or visit www.phila.gov/revenue for more information.

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 # _____



Who has to pay the BIRT?

- Individuals, partnerships, associations, limited liability companies (LLCs), corporations
- Must be engaged in a business, profession or other activity for profit with the City
- Disregarded entities:
 - Single Member LLC (SMLLC) – required to file a BIRT return under the **owner's** name, business account number, & SSN
 - Qualified Subchapter S Subsidiary(QSub) – required to file a BIRT return under the **owner's** name, business account number, & SSN
 - **Important:** A disregarded entity is required to register *separately* (under its own name) for city wage tax, real estate tax, and use & occupancy tax, if applicable.




What is a Philadelphia receipt?

The definition of receipts is very broad – cash, credits, property of any kind or nature, received from conducting any business

Only receipts from business done in Philadelphia are subject to the Tax on Gross Receipts

- *Sales of tangible personal property* – receipts are taxable if the goods are delivered to a customer in Philadelphia
- *Sales of services* – receipts are taxable if the service is performed at a location in Philadelphia

Exception –Software Companies are taxable in Philadelphia if the customer receives the benefit of the service in Philadelphia (“market-based sourcing”)



For BIRT, businesses starting now have an option to pay quarterly estimated payments for their second year of filing, then go back to annual payments in year three:

- Initial BIRT return - no estimated tax payments are required toward the second-year return
- With the filing of the second-year BIRT return, a taxpayer may make an estimated tax payment toward the third-year return for 100% of the tax due **OR** may *elect* to make 4 quarterly estimated tax payments toward the third-year return.
- With the third BIRT filing and subsequent years, the business is required to make 100% estimated tax payments

Year of Business	Tax Year	Due Dates / Filing Requirements
1	2023	Start your business – make sales!
2	2024	4/15/2024 – file / pay taxes on 2023 activity no estimates toward 2023 return
3	2025	4/15/2025 – file / pay taxes on 2024 activity - pay 100% estimate toward 2025 return - OR elect to make 4 quarterly installment payments toward 2025 return (due 4/15/2025, 6/15/2025, 9/15/2025, and 1/15/2026)
4	2026	4/15/2026 – file return for 2025 activity, you don't have a bill for 2025 (because you already paid it), but you will pay 100% estimate toward 2026 return



Use and Occupancy Tax

Tax Details



- Applies to business, trade, or other commercial use and occupancy of real estate located in Philadelphia.
- If the business is located in Philadelphia, it is operated from a Philadelphia residence, or tenants, sub-tenants, or owners use the property for business purposes.
- Property not used for business purposes and vacant property are exempt.
- Any owner or landlord whose property is used for business purposes is responsible for filing and paying this tax. The owner or landlord must collect the tax from tenants and pay it to the City, along with any tax for which the owner or landlord is liable.

Exemptions or Exclusions

- Property not used for business purposes (i.e., non-commercial space) and vacant property are exempt.
- There is a \$2,000 annual tax exemption; \$165,300 from the assessed value of the property

Rates, Returns and Due Dates

- **1.21%** of the assessed value of the property
- Monthly returns must be filed and tax paid on the 25th of each month – annual option available to eligible taxpayers.
- U&O Tax returns and payments **must** be made online



Net Profits Tax (NPT)



This tax should not be confused with the Net Income part of the BIRT. You must still pay this tax even if you do not have to pay BIRT. (*NPT is basically the same as Wage Tax, but for small business owners.)



- You may be able to take a 60% credit against NPT based on the amount of your BIRT income tax liability



NPT is calculated on the profits of the business reported on your accounting records

- This means: gross receipts – costs and any business deductions

The rate is the same as the Wage Tax (which can change each year!)

- 2023 tax rates: 3.75% (resident); 3.44% (non-resident)
- The due date is the same as your federal taxes, but you need to pay an estimate in June of each year.

If you live in Philadelphia, 100% of the net profits are taxed - it does not matter if the business is conducted outside the City

Other Taxes



Real Estate Tax



Tax Details

- Property owners with **taxable property** in Philadelphia are responsible for paying the Tax.



Rates, Returns and Due Dates

- **0.6317% (City) + 0.7681% (Schools) = 1.3998%** of the assessed property value
- Billed in December and due on March 31st of each year
- Tax rate 0.13998 x OPA's Assessment



Special Information

- The City eliminated the 1% discount for early payment starting in 2021.
- Can be paid **electronically**



Exemptions and Abatements

- **Homestead exemption** that reduces the taxable portion of property assessment - \$80,000 for 2023
- **10-year tax abatement** from Real Estate Tax for both residential and commercial projects (land value is still taxable)
- **Owner-Occupied Payment Agreement (OOPA)** for property owners who live in their home
- **Long time Owner-Occupied Program (LOOP) and Senior Citizen Real Estate Tax freeze** – eligibility recently expanded





School Income Tax



Tax Details

- Philadelphia **residents** must pay for certain types of **unearned income** such as dividends, royalties, net short-term capital gains, short-term rental income, cash lottery winnings, and some types of interest.



Rates, Returns and Due Dates

- **3.75%** for Residents for Tax Year 2023
- Due on April 15th of each year



Special Information

- Tax is prorated so that you only pay for unearned income received during your period of residency
- Can be filed and paid **electronically**

Exemptions or Exclusions

- Interest earned on **savings and checking accounts**, from bonds or debt obligations of the Commonwealth of Pennsylvania or its political subdivisions, and interest received from direct obligations of the federal government are exempt



Realty Transfer Tax



Tax Details

- The Tax applies to the **sale** or **transfer** of real estate in Philadelphia.



Rates, Returns and Due Dates

- **3.278% (City) + 1% (Commonwealth) = 4.278%** of the **sale price** or assessed property value & any **assumed debt**
- Due when the sale document is presented for recording



Special Information

- The City has the right to collect 100% of the tax from the buyer or the seller, so it's in the best interest of the buyer to make sure the tax is paid in full at the closing of the sale

Exemptions or Exclusions

- There is an exemption for sales within **families** such as transfers between:
 - Husband and wife
 - Direct ascendants and descendants (parents to children, grandparents to grandchildren)
 - Siblings (including legally adopted and half siblings)



Wage Tax and Earnings Tax

Employers in Pennsylvania must withhold the Wage Tax from the salaries, wages, commissions, and other compensations paid to persons who either live or work in Philadelphia.



Employees living in Philadelphia must register for the Earnings Tax Wage Tax **IF** it is not withheld by the employer.



You must file quarterly Wage Tax returns online through the Philadelphia Tax Center. We no longer accept paper returns.

Wage Tax must be paid electronically on the Philadelphia Tax Center. Payments are due separately from the quarterly returns and are determined by the amount of Wage Tax you withhold.

Some forms of income such as scholarships, pensions, death benefits, health insurance premiums etc. are exempt from the Wage Tax. Ask your tax advisor!

For low-income employees, they may apply for a refund of 0.5% if approved for tax forgiveness under Pennsylvania Schedule SP



Short-term rentals

- Rental of your Philadelphia residence, or part of it, for fewer than 30 consecutive days
- Short-term rental is considered limited lodging – the rental of a unit which has a primary resident
- Before offering your primary residence to rent, you will need to obtain the following to do business in Philadelphia:

Required by the Phila. Department of Revenue

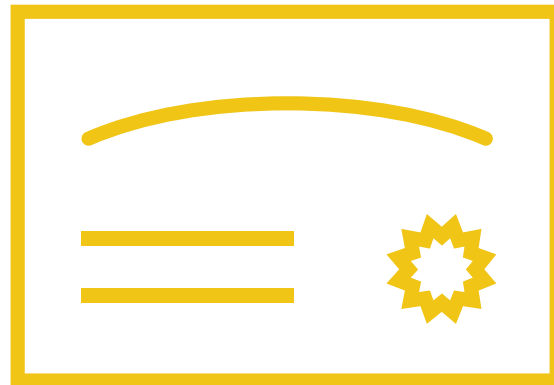
Philadelphia business tax account ID (PHITN) – Hotel Tax, BIRT, and NPT* returns may be required


Required by the Department of Licenses and Inspections – apply online using eCLIPSE

- Commercial Activity License (you will need your BIRT Tax ID to apply)
- Zoning Permit for Limited Lodging
- After the Zoning Permit is obtained, you must obtain a Limited Lodging Operator License

* Except corporations

Tax Clearance





How to obtain a Tax Clearance Certificate and why?


Tax clearance certificates are required for many different reasons. You might need one to apply for a permit or license, join a board, get a job with the City, or for another purpose.

Online

You can check your tax compliance status and request a certificate on the Philadelphia Tax Center at tax-services.phila.gov without a username and password.

Questions? e-mail tax.clearance@phila.gov or
call (215) 686-6565

Go to <https://www.phila.gov/services/payments-assistance-taxes/taxes/get-tax-clearance/> for more info.



Is your property subject to the Commercial Trash Fee? (prev. known Refuse Fee)

Commercial, multi-unit residential properties with six or fewer units and mixed-used properties are subject to the Commercial Trash Fee.

\$500 a year that can be paid in full or in two installments. The first installment of \$250 is due by December 31 of each year. The second installment is due by June 30 of each year.

Exemptions

- The property is vacant.
- You use a private hauler.
- You own the property and reside in it full time, without any tenants.
- The property is a house of worship.


Online

You can pay online on the Philadelphia Tax Center at tax-services.phila.gov without a username and password and also apply for an exemption.

Questions? e-mail solidresources@phila.gov or
call (215) 686-6442


Enforcement





As always,
those who
struggle to pay
should reach out

If you cannot pay, do not wait. Contact us to get into a payment agreement as soon as possible.




Consolidated Actions

Focus on chronically delinquent accounts

Who: Owners of multiple properties in the City who have delinquent real estate taxes; water rents; and/or L&I costs and fines are selected for collection actions

- All claims brought in one action instead of individual actions for each property and delinquency type
- The resulting combined judgment becomes a claim against all the debtor's properties so that it cannot sell or refinance any of them without addressing its debt to the City



Sequestration

Focus on income-generating properties

Who: owners of active rental properties in the City with outstanding water or Real Estate Tax delinquencies are selected for sequestration actions

- The City asks the court to appoint a sequestrator who will collect rent on behalf of the property owner and make payments toward the outstanding delinquencies




Offer in Compromise

- If you have a tax obligation with the City of Philadelphia that you can never repay in full, you can ask us to accept a payment for an amount less than your total liability. Some claims are eligible; others are not.
- This program is not meant to appeal or erase your tax liability. You should be prepared to offer a payment that is less than the full amount, but reasonable enough for the Department of Revenue to consider seriously. It should be based on your true ability to pay.
- Submitting a request form does not guarantee we will accept your OIC automatically. The Department will consider each case based on its own unique set of facts.
- The goal is to find a compromise that is in the best interests of BOTH the taxpayer and the City.
- Decisions on OIC requests are made by committee.
- Submit an OIC: Print an Offer in Compromise Request Form from our website: <https://www.phila.gov/documents/offer-in-compromise/>



Business Tax Payment Agreements

- **“Standard”** is 48 months
 - **“Preferred”** is 60 months – available if this is the taxpayer’s 1st or 2nd agreement and if the taxpayer has not previously defaulted on an agreement
 - Business payment agreements can be made online in the Philadelphia Tax Center, but there are exceptions for cases that have moved to collections
 - Taxpayers whose online agreement requests are rejected receive a denial message and explanatory letter
- 



Get into compliance

Don't wait! Tax issues will not just go away – you will continue to receive notices from the City for delinquent taxes

- Offers in Compromise
- Voluntary Disclosure program
- Get into a payment plan

Odds & Ends

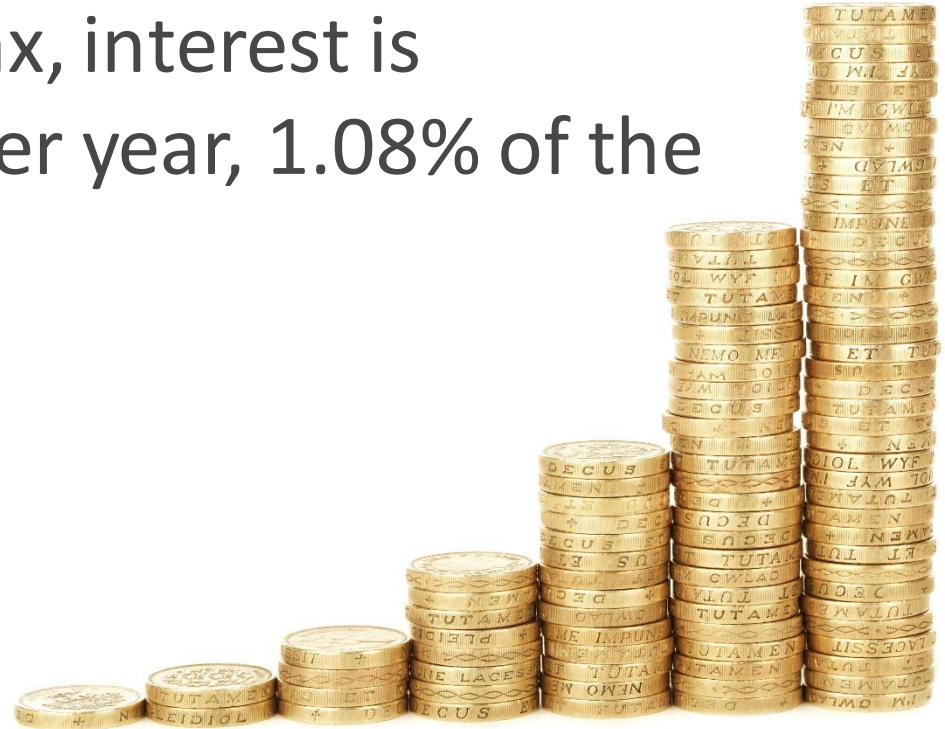


Interest & Penalties

Effective January 1, 2024, for all taxes, except Real Estate Tax and Liquor Tax, interest is charged at the rate of 13% per year, 1.08% of the unpaid balance per month.

Interest: 1.08% per month

Penalties: 1.25% per month



Online Payment Fees

eCheck is **FREE**

2.25% credit/debit card online

\$3.95 for in-person card payments





- ✓ File and pay **electronically through the Philadelphia Tax Center** for quick and accurate processing
- ✓ Put **at least** the last four digits of EIN or SSN on check/money order
- ✓ You must complete online registration or the paper form to open an account, which will require full SSN
- ✓ Use BIRT-EZ if 100% of business is in the City



- ✓ DO NOT use red pens or pencils
- ✓ DO NOT submit payment without payment coupon
- ✓ DO NOT submit photocopies
- ✓ DO NOT submit forms for the wrong year
- ✓ DO NOT submit your BIRT return without a Gross Receipts Schedule



The Change Form

Businesses may need to update their Philadelphia account information. **The Change Form** is used to change a taxpayer's address, add/cancel taxes, and close a business account.


phila.gov/tax-change

You can update or close your account online through the **Philadelphia Tax Center**.



The Philadelphia Tax Center Q&A





**Phase 2 of our new
tax system
launched
October 2022**
**Phase 1 went live
November 2021**


We've replaced the City's tax system of record
Cloud-based, 21st century system, replacing a
35-year-old mainframe database

Includes a public-facing website, the
Philadelphia Tax Center (tax-services.phila.gov)

- Accessible on mobile devices, most functionalities translated into Spanish.
- Include electronic applications for payment agreements
- Allows third-party access to accounts (like legal services)
- phila.gov/tax-center-guide (includes materials in Spanish)

Public site
the Philadelphia Tax Center
tax-services.phila.gov





Online guide available for businesses

Get more information at

phila.gov/guides/philadelphia-tax-center

- What to expect, what's changing, and how to be ready
- Video overview and how to create a username & password, and how to give access to a third party
- Downloadable flyers and guides
- Includes Spanish content
- You can also sign up for a [dedicated newsletter](#)

Why should I get a
Philadelphia Tax Center
username and password?



Why should I get a Philadelphia Tax Center username and password?

Because you can:

- View balances, file returns, and make payments
- Apply for tax credits and request payment agreements
- Manage multiple properties from a single dashboard.
- View electronic messages and letters to and from the Department of Revenue.
- Manage payments and returns
- Upload W-2s and 1099s, as well as audit attachments
- Update account information, give access to third parties

RONNIE SPECTOR

2000105101

1650 MARKET ST FL 37
PHILADELPHIA PA 19103-7353

[☆ Add to Favorites](#)

Welcome, Ronnie

You last logged in on Tuesday, Jan 18, 2022 7:11:05 PM

[Favorites](#) [Summary](#) [Action center ²](#) [Settings](#) [More options...](#)

Filter



Business Income and Receipts Tax

RONNIE SPECTOR
1650 MARKET ST FL 37
PHILADELPHIA PA 19103-7353

Account

00-000283510

Balance

\$0.00

- > [Make a payment](#)
- > [File, view or amend returns](#)
- > [Apply for credit programs](#)

Net Profits Tax

RONNIE SPECTOR
1650 MARKET ST FL 37
PHILADELPHIA PA 19103-7353

[Action center items ¹](#)

Account

00-000316278

Balance

\$384.00

- > [Make a payment](#)
- > [File, view or amend returns](#)

Submissions

Search for submitted items like returns, payments, or letters

> [Search submissions](#)

Messages

View all messages I've received from the Philadelphia Department of Revenue

> [View messages](#)

Letters

View all letters I've received from the Philadelphia Department of Revenue

> [View letters](#)

Payments and returns

Manage payments and returns for all taxpayer accounts

> [Manage payments and returns](#)

> [Request payment agreement](#)

Names and addresses

View or update names and addresses associated to this taxpayer

> [Manage Names & Addresses](#)

1099s and W-2s

Upload my W-2's and 1099 Forms

> [W-2 upload](#)

> [1099 upload](#)

Third party access

Manage taxpayer access

> [Request taxpayer access](#)

> [Verify taxpayer access](#)

Audits

Upload audit attachments

> [Upload audit attachments](#)



Why do I have to wait up to 10 days to access my Tax Center username? Why can't I get a text/email message to register?



Why do I have to wait up to ten days to access my account?
Why can't I get a text/email message to register?

Current data within our system is not sufficient in order to validate Philadelphia Tax Center registration.

In accordance with the recommended security protocols our policy is designed to avoid compromising your client's information. This policy is similar to protocols for the Commonwealth and the IRS.

Do I have to log into
Philadelphia Tax Center to make
a payment?



Do I have to log into Philadelphia Tax Center to make a payment?

No, you can always pay online **without** a username and password. From the Tax Center home page, under the “Payments” panel, choose “Pay by eCheck (no fee)” or “Pay by credit card (fee)”.

You can pay bills by entering the Letter ID found on a bill, or by entering a client’s FEIN, SSN, or PHTIN.

Double check the payment options to avoid mis-applied payments.

What else can I do **without** a
username and password?



What else can I do ***without*** a username and password?

- **Make a payment**
 - by eCheck or debit/credit card
- **Real Estate**
 - Apply for assistance programs, payment agreements, and pay balances
- **Request a Refund**
 - Wage Tax and Property refunds are available without logging in
- **Respond to letters or bills sent by the Department of Revenue**
 - See the panel [Respond to a Letter](#)
- **Request a tax clearance certificate**



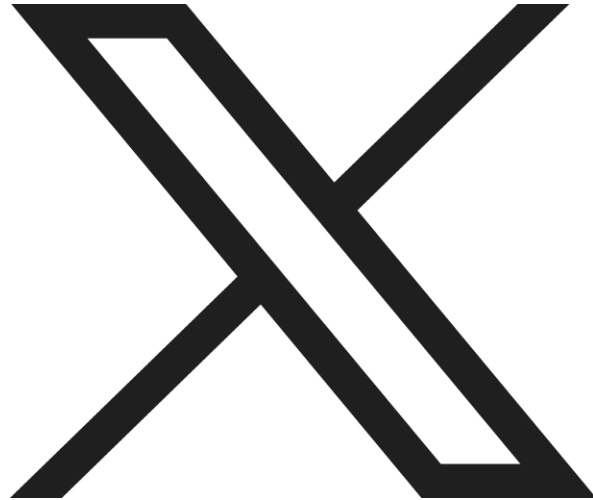
Resources for Business



Resources

- phila.gov/pay- Make a tax/water payment
- tax-services.phila.gov Revenue's new website for managing taxes and more
- phila.gov/revenue - Dept. of Revenue
- business.phila.gov – Planning a business
- Free Library- **Business Resource and Innovation Center (BRIC)**
<https://libwww.freelibrary.org/programs/bric/business/>
- **Community College of Phila**
- **Landlord Gateway** – landlords@phila.gov

Find us on Social as **PhilaRevenue**



Questions & Comments

Thank you



CITY OF PHILADELPHIA
DEPARTMENT OF REVENUE



Photo: J Fusco for Visit Philadelphia