



Instructions for Trade Show Vendors Use BIRT-EZ and NPT Returns

Effective for Tax Year 2021 and thereafter, the Department of Revenue has discontinued the *Business Tax Return for Use by Trade Show Vendors*. Trade Show Vendors who have sold merchandise or performed services in Philadelphia must now file using the a Business Income and Receipts Tax – EZ Form and (if un-incorporated) also file a Net Profits Tax return.

Trade Show Vendors are exhibitors or other ancillary businesses that, aside from attending the trade show event(s), are not doing regular and systemic business activity within the City of Philadelphia. At Trade Show Vendor's business activity is exclusively within the Philadelphia Convention Center or other venues within Philadelphia during the event(s).

“Separate Accounting” for Trade Show Vendors

The Department of Revenue allows the use of “separate accounting” to compute taxable receipts and net income for the specific event(s) within the City of Philadelphia.

That means, Trade Show Vendors can compute a separate Profit & Loss/Income Statement for the specific event(s) in Philadelphia they attended. Trade Show Vendors only need to report the gross receipts generated and a computation of net income after deducting the ordinary, reasonable and necessary expenses related to the event(s) in Philadelphia.

Report the gross receipts for the event(s) on the BIRT-EZ Page 2 Line 7a (i.e. sales of product) or Line 7b (i.e. performance of services) as applicable.

The net income computed for the event(s) should be reported on the BIRT-EZ Page 2 Line 1.

For those un-incorporated Trade Show Vendors who are also subject to the Net Profits Tax, report the computed net income on the NPT Page 1 Line 6 (Non-residents of Philadelphia) and compute the Net Profits Tax on Line 7.

Do not attach the Profit & Loss /Income Statements to the BIRT-EZ or the NPT returns. However, it is recommended that these statements be maintained in the Trade Show Vendors tax files to be available if requested by the Department.

How to File

- A) Register for a City Tax Account Number:** Each business must register with the City of Philadelphia Department of Revenue. Disregard this step if you have already registered and have a Philadelphia Tax Identification number. Follow these steps to register your business on the Philadelphia Tax Center:



- Visit **tax-services.phila.gov** and select "Register a new taxpayer" under the ew taxpayers" panel.
- Follow the on-screen prompts to complete registration. The last step is to create a username and password.

B) Obtain a Commercial Activity License: Each business must obtain a Commercial Activity License with the City of Philadelphia. There is no cost for this license. Please disregard this step if you already have a Commercial Activity License. Contact your local show administrator for the Commercial Activity License form or visit the Philadelphia Department of Licenses and Inspections portal, eClipse:

- Visit **phila.gov/li**.
- Select "Get a business or trade license"
- Select "Get a Commercial Activity License." You will find instructions to apply online using eClipse or in-person.

C) Use the BIRT-EZ Form to File a Trade Show Tax Return

Trade Show Tax Returns must be filed in April each year for the prior year activity. For example, if you participate in multiple shows throughout 2024, all gross receipts and expenses must be added and filed on April 15th, 2025. You may also be responsible for filing a Net Profits Tax returns on April 15 for the prior year activity. You'll find instructions for each tax form along with paper forms at **phila.gov/revenue**, but as always Revenue encourages taxpayers to file online at the Philadelphia Tax Center at **tax-services.phila.gov**.