

Instructions for Filing Business Privilege Tax/Mercantile Tax Return

Fill in and Self Calculating Versions of this form are available on the Township's website, www.lowermerion.org

THIS FORM IS MACHINE READ. PLEASE PRINT CLEARLY.

INDICATE NEGATIVE NUMBERS WITH A MINUS SIGN OR BY CHECKING THE BOX NEXT TO THE LINE
ALL NUMBERS MUST BE ROUNDED TO THE NEAREST WHOLE DOLLAR OR FORM WILL BE REJECTED

TOWNSHIP EXTENSION REQUESTS

We do not automatically accept Federal or State filing extensions. Requests for extensions of time to file must be in writing and received in the Township's Finance Department or postmarked by April 15, 2015 along with a check for at least 80% of the total amount due. Taxpayers approved for an extension must file the completed 2014 tax return by October 15, 2015. Interest of 1.5% per month will be assessed against any unpaid balance. Penalty will apply if the completed return is not received by October 15, 2015.

Extensions must be postmarked or received by April 15, 2015.

LINE 1 – BUSINESS PRIVILEGE GROSS RECEIPTS: Enter receipts from the services, investments and other income.

1. If the business' sole location or corporate office is **INSIDE** the Township, use the list below to determine the gross receipts. **You must include the applicable tax return page(s) listed below with your Township Tax Return or a Notice will be issued.**
2. If the business has multiple locations and its corporate offices are located **OUTSIDE** of the Township, a profit and loss statement must be attached to this tax return to verify gross receipts reported for the Township location.

IF YOUR FEDERAL RETURN IS:

Schedule C	(Sole Proprietor)
Schedule C-EZ	(Sole Proprietor)
Schedule E	(Rental Properties)
Form 1120	(C Corporation)
Form 1120S	(S Corporation)
Form 1065	(Partnership)
Form 8825	(Rental Properties)

ADD ALL LINES BELOW FROM YOUR FEDERAL TAX RETURN TO DETERMINE TOTAL GROSS RECEIPTS:

Page 1 - Lines 3 and 6
Page 1 - Line 1
Page 1 - Line 3 and 4
Page 1 - Lines 1C and 4-10; Page 4/5 – Schedule M-1 Line 7 tax-exempt interest
Page 1 - Lines 1C, 4 and 5; Page 3 Schedule K - Lines 3a, 4, 5a, 6, 7, 8a, 9, 10 and Lines 16a and 16b
Page 1 - Lines 1C and 4-7; Page 4 - Lines 3a, 5, 6a, 7, 8, 9a, 10, 11, 18a, 18b and 20a
Line 2 - (Gross Rents). Also submit above pages of Form 1120S or 1065

LINE 2/LINE 10 - EXCLUSIONS – If a complete explanation and documentation are attached to this return certain gross receipts **MAY** be excludable including:

1. Gross Receipts taxed in another municipality and/or state. (Must attach copies of other municipality's and/or state's tax return and proof of payment). Exclusions for receipts taxed in other states may need to be apportioned using PA three factor apportionment or some alternate approved method.
2. Gross Receipts generated at **physical** locations owned and maintained by a business outside of Lower Merion Township. In certain circumstances apportionment may be required please consult the Township's business tax regulations. (Must attach a profit and loss statement for the Township of Lower Merion location).
3. Special situations as per the Township of Lower Merion Business Tax Regulations, Ordinance and State Law.
4. The gross receipts reported under the Business Privilege tax section may be excluded from the Mercantile tax section and vice versa.

LINE 9 – MERCANTILE GROSS RECEIPTS – Enter only receipts from retail or wholesale activities here.

1. If the business' sole location or corporate office is **INSIDE** the Township, use the list below to determine the gross receipts. **You must include the applicable tax return page(s) listed below with your Township Tax Return or a Notice will be issued.**
2. If the business has locations **OUTSIDE** or in addition to the Township location, a profit and loss statement must be attached to this tax return to verify gross receipts reported for the Township location.

IF YOUR FEDERAL RETURN IS:

Schedule C	(Sole Proprietor)
Schedule C-EZ	(Sole Proprietor)
Form 1120	(C Corporation)
Form 1120S	(S Corporation)
Form 1065	(Partnership)

USE LINE BELOW FROM YOUR FEDERAL TAX

RETURN TO DETERMINE TOTAL GROSS RECEIPTS:

Page 1 - Line 3
Page 1 - Line 1C
Page 1 - Line 1C
Page 1 - Line 1C
Page 1 - Line 1C

LINE 5/LINE 13- 2015 Estimated Tax Payment - Small Taxpayer Relief – Businesses with gross receipts of \$25,000 or less for the tax year that cannot exclude more than \$1,000 of gross receipts from any source outside of the Township are not required to make an estimated tax payment on lines 5 and/or 13 of the return. Payment of the actual tax due is still required.

Taxpayers Rights:

Taxpayers are entitled to receive a written explanation of their rights with regard to the assessment, audit, appeal, enforcement, refund, and collection of certain taxes administered by the Township. A written explanation entitled *Township of Lower Merion Taxpayers Bill of Rights Disclosure Statement* has been prepared for this purpose and is available without charge from the Township. A copy may be requested in person, by telephone (610-645-6142) by mail or on the Township's website www.lowermerion.org.