

## WHO IS SUBJECT TO THIS TAX:

### **Instructions**

- A. Any Business, Trade, Occupation and Profession - Carrying on or exercising, whether for gain or profit or otherwise, any trade, business - retail, wholesale, profession, vocation, service, construction, communications or commercial activity or rendering services from or attributable to a bonafide office or place of business within Abington Township.
- B. For Businesses Outside Abington Township - A monthly breakdown, on a calendar basis, of receipts (sales) applied to Abington.
- C. Calendar Year - Return **must** be filed on a calendar basis - January 1 to December 31.
- D. Fiscal Year - If business is on a fiscal year with Internal Revenue Service, include, with your return, a monthly breakdown of receipts from January to December inclusive.
- E. SUBMIT A COPY OF CORPORATE FEDERAL INCOME TAX RETURN, PARTNERSHIP, SCHEDULE C OR SCHEDULE E - Businesses with locations both in and out of Abington **must submit a computer printout to show calendar year sales for their Abington locations.**
- F. Extension of Time to File - Tax payer must submit Township Form #120. This completed form, plus a check on account, must be in the Tax Office on or before April 15th. Filing this extension forgives penalty, but interest will still accrue from deadline to the date of final payment.
- G. Failure to File - Violations and Penalties - Any person, as defined on this Article, or any officer, agent, servant or employee thereof, who shall fail, neglect or refuse to comply with any of the terms or provisions of the code, shall, upon conviction thereof, before a District Justice, be sentenced to pay a fine of not less than twenty-five dollars (\$25.) nor more than three hundred dollars (\$300.) together with costs of prosecution for each offense.

**Line 1 - Actual Receipts** - Gross revenue as reported to the Federal Government on the applicable Federal Schedule(s). Classes of income as described below

**Line 2 - Exclusions** - Every business has an automatic \$2,500 exclusion.

Any other exclusion, taxpayer must submit proof, if portion of gross receipts are paid to another taxing jurisdiction. Taxpayer must provide a copy of tax return paid to another city, township/borough, along with copy of cancelled check to show proof of payment of tax.

**Line 5 - Retail Mercantile** - All receipts are taxable for those businesses whose receipts are derived from the sale of goods, wares and merchandise to the ultimate user. Examples of these types of businesses are restaurants (where food, drink or refreshments are served), department stores, supermarkets, etc.

**Line 6 - Wholesale Mercantile** - Same as #5 above, except receipts are derived from sales to third parties who are not the ultimate users. All receipts are taxable regardless of where shipped.

**Line 7 - Service (Business Privilege)** - All gross receipts attributable to the township without regard to whether such receipts are derived from inside or outside the township. For services rendered by any business, trade, occupation or profession, without deductions for the cost of property sold, materials used, labor, services or other costs, interest, discount paid or any other expenses. Examples: vehicle repairs (labor only), manufacturer's representatives, real estate brokers and agents, professionals (lawyers, accountants, physicians, etc.), insurance agents, contractors, travel agents, etc.

**Line 8 - Rental Income** - All receipts derived from rental or real properties, such as apartments, duplexes, condominiums, shopping centers or from all other residential or commercial properties.

**Line 9 - Interest, Dividends and Capital Gains** - Include all interest earned for checking and savings accounts, certificates of deposit, bonds, et al; Cash Dividends - on publicly held stocks and bonds; Capital Gains - on stocks and bonds (not on sale of any equipment). This only applies to corporations and partnerships.

**Lines 12 to 19** - Every business **must** complete these lines, together with total payment or the tax form will be returned.

