

City of Philadelphia – Department of Revenue

AMENDMENT TO SECTION 302 OF THE CITY OF PHILADELPHIA'S BUSINESS INCOME AND RECEIPTS TAX REGULATIONS

Section 302 of the City of Philadelphia's Business Income and Receipts Tax Regulations is amended to the following:

SECTION 302. EXCLUSIONS FROM RECEIPTS.

(3) The amount of any allowance made for goods, wares or merchandise taken by a dealer as a trade in or as part payment for other goods, wares and merchandise in the usual and ordinary course of [his] business. However where the dealer reports receipts under the Alternative Receipts Tax Computation as provided by Section 305 of these regulations, the allowance for goods, wares or merchandise taken as a trade in or part payment will not be allowed as an exclusion from receipts to be reported under the applicable Alternative Receipts Tax Computation. See Section 305 (1) (d) of these regulations.

This amendment is effective for tax year 2014 and thereafter.

[] Denotes deleted matter

___ Underlining indicates new matter added.



Date: 3-11-14

Clarena I. W. Tolson
Revenue Commissioner

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City of Philadelphia – Department of Revenue

AMENDMENT TO SECTION 305 OF THE CITY OF PHILADELPHIA'S BUSINESS INCOME AND RECEIPTS TAX REGULATIONS

Section 305 of the City of Philadelphia's Business Income and Receipts Tax Regulations is amended to the following:

SECTION 305. ALTERNATIVE RECEIPTS TAX COMPUTATIONS

(1) Taxpayers who are engaged in manufacturing, and/or who make wholesale and/or retail sales are entitled to compute the tax on receipts by one or more of the alternative methods of tax computation provided in subsection (2).

(a) For purposes of determining which alternative method or methods may be used by a taxpayer, the classification of a taxpayer as a manufacturer, and/or a wholesaler, and/or a retailer shall be made on the basis of the type or types of sales made by the taxpayer. Each alternative method of computation may be used to compute the gross receipts tax only on that type of sale which qualifies the taxpayer to use that alternative method of computation. For example, a taxpayer who makes wholesale sales and retail sales may elect the wholesaler's alternative method of computation for wholesale sales only. That taxpayer may also elect to use the retailer's alternative method of computation for retail sales only.

(d) The allowance for goods, wares or merchandise taken by the dealer as a trade in or part payment will not be allowed as an exclusion from receipts to be reported under the applicable Alternative Receipts Tax Computation. See Section 302(3) of these regulations.

This amendment is effective for tax year 2014 and thereafter.

[] Denotes deleted matter

___ Underlining indicates new matter added.



Date: 3-11-14

Clarena I. W. Tolson
Revenue Commissioner

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