

**CITY OF PHILADELPHIA
DEPARTMENT OF REVENUE**

REGULATIONS

EXCISE TAX ON OUTDOOR ADVERTISING TRANSACTIONS

TABLE OF CONTENTS

| | | |
|--------------------|--|----|
| ARTICLE I | DEFINITIONS | |
| Section 101. | Definitions | 1 |
| | | |
| ARTICLE II | IMPOSITION AND RATE OF TAX | |
| Section 201. | Outdoor Advertising Taxes and Rates | 3 |
| Section 202. | Non-Taxable Activities | 3 |
| Section 203. | Taxable Transactions | 4 |
| Section 204. | Purchase Price | 2 |
| Section 205. | Outdoor Advertising Sign Company | 2 |
| Section 206. | Multiple Locations | 8 |
| Section 207. | Reports and Returns | 8 |
| | | |
| ARTICLE III | COLLECTION, FILING AND PAYMENT | |
| Section 301. | Collection, Return, Filing & Payment of Tax | 9 |
| Section 302. | Electronic Filing and Payment | 9 |
| Section 303. | Liability for Uncollected or Unpaid Taxes | 10 |
| Section 304. | Payment and Collection | 11 |
| | | |
| ARTICLE IV | MAINTENANCE OF BOOKS AND RECORDS, REVIEW AND APPEAL | |
| Section 401. | Examination of Books and Records | 12 |
| Section 402. | Review and Appeal | 12 |
| | | |
| ARTICLE V | PENALTIES AND ENFORCEMENT | |
| Section 501. | Penalties and Enforcement | 13 |

3
3
4
2
8
8

2010-10-15 10:12:31

DEPARTMENT OF REVENUE

CITY OF PHILADELPHIA

EXCISE TAX ON OUTDOOR ADVERTISING TRANSACTIONS

ARTICLE I DEFINITIONS

Section 101. Definitions. For purposes of these regulations, the following words and phrases are defined as follows:

- (a.) **Accessory Sign.** A sign that directs attention to information, identification, or advertisements strictly incidental to a lawful use of the premises on which it is located. This includes signs or devices indicating the business transacted, services rendered, goods sold, or produced on the premises; and name or emblem of a person, firm, institution, organization or activity occupying the premises.
- (b.) **Non-Accessory Sign.** A sign that directs attention to a business, industry, profession, commodity, service organization, activity, institution, business, product or entertainment neither sold, located nor offered upon the property where the sign is situated.
- (c.) **On-site Public Art.** Artwork such as a painting or mural that is permanent (i.e. lasting the life of the building); original; created specifically for the site; and is not primarily intended to advertise a product or service.
- (d.) **Outdoor Advertising Sign.** A non-accessory sign, but excluding: advertising matter displayed on currently registered motor vehicles or on pedestrians; accessory advertising matter displayed on newsstands; information required by law or ordinance to be placed on structures; notice to the public that a property is for sale or rent; a sign owned and sponsored by a community, civic or charitable organization; a sign identifying a company performing on-site construction; and On-site Public Art.
- (e.) **Outdoor Advertising Sign Company.** The owner or operator of a structure used to display an outdoor advertising sign.
- (f.) **Purchase Price.** The full consideration paid, delivered or promised to be paid to an Outdoor Advertising Sign Company for the installation, placement or maintenance of, or license to place, an Outdoor Advertising Sign on any building, parcel or Sign Support Structure. The Purchase Price shall not include the price paid to the owner of the real property in consideration for the erection of a Sign Support Structure.
- (g.) **Sign.** A name, identification, description, emblem, display, or device which is affixed to, or printed on, or represented directly or indirectly upon a building, structure, or parcel of land; which is illuminated or non-illuminated; visible or intended to be visible from any public place; and which directs attention to a person, place, product, institution, business, organization, activity or service. Signs also include any permanently installed or situate merchandise, including any banner, pennant, placard or temporary sign, with the exception of window displays and national flags.

- (h.) **Sign Support Structure.** Any column, upright, brace or construction situate upon the ground, a building or another structure the purpose of which is to support a sign or sign message.
- (i.) **Commercial Sign.** A sign containing copy that relates primarily to the economic interests of the publisher or its audience or directs attention to a business, industry, profession, commodity, service, activity, institution, product or entertainment offered for sale.
- (j.) **Non-Commercial Sign.** A sign containing copy that does not relate primarily to the economic interests of the publisher or its audience nor directs attention to a business, industry, profession, commodity, service, activity, institution, product or entertainment offered for sale.

336494

DEPARTMENT OF REVENUE
JAN 15 1991

ARTICLE II
IMPOSITION AND RATE OF TAX

Section 201. Outdoor Advertising Taxes and Rates.

- (a) There is hereby imposed an excise tax on the purchase, rental or licensing of space on any building, parcel, Sign Support Structure or newsstand located in the City for the purpose of installing, placing or maintaining an Outdoor Advertising Sign.
- (b) The excise tax shall be collected by an Outdoor Advertising Sign Company at the time the Purchase Price is paid, and shall be remitted by the Outdoor Advertising Sign Company to the City in accordance with these regulations.
- (c) The rate of tax shall be seven percent (7%) of the Purchase Price.

Section 202. Non-Taxable Activities.

- (a) The following activities are not subject to the tax:
 - (1.) The purchase, rental or licensing of space for signs displayed on currently registered motor vehicles such as passenger cars, motorcycles, taxicabs, commercial trucks, truck tractors, trailers, vans, buses and trackless trolleys. This exclusion will also apply to signs on any vehicle operated upon rails such as trolleys, subway trains, elevated trains, regional commuter rail lines or railroads and to electric personal assistive mobility devices (EPAMD) or any other personal or public conveyance.
 - (2.) The purchase, rental or licensing of space for signs held by or powered by pedestrian such as "sandwich boards."
 - (3.) The display of Accessory Signs on newsstands.
 - (4.) The display of informational signs required by law or ordinance to be placed on structures, such as required government warnings or disclosures.
 - (5.) The posting of signs on a property advertising that property for sale or rent.
 - Illustration No.1: ABC Realty Inc. places a "For Sale" Sign on a specific property it has listed for sale. This activity is not subject to the tax.
 - Illustration No. 2: ABC Realty Inc. pays an Outdoor Advertising Sign Company to place an Outdoor Advertising Sign on a Sign Support Structure (i.e. billboard) located along Interstate 95. The Sign advertises ABC services along with several property addresses it has listed for sale. This is a taxable transaction.
 - (6.) The posting of signs on a construction site noting the contractors on the project.
 - (7.) The display of On-Site Public Art. The display of artwork that acknowledges the monetary contribution of the sponsor for the art project is not subject to the tax where any such acknowledgement is of a nominal size, type or presentation so as not to compromise

336195
DEPARTMENT OF REVENUE

or detract from the artistic or aesthetic integrity of the artwork. To remain non-taxable, the acknowledgement or presentation of a commercial sponsor on the artwork cannot make use of the sponsor's corporate logo or trademark or tagline in such a way as to effect an advertisement. If a corporate logo or trademark is present on the artwork so as to effect an advertisement, the total monetary contribution or consideration made by the sponsor for the artwork is taxable.

(8.) The posting of Accessory Signs.

Illustration No. 3: A profit-making or a nonprofit hospital places a sign advertising the hospital's services on a Sign Support Structure on the side of the hospital building. The placement of this Accessory Sign is not subject to the tax.

(9.) The posting of signs in outdoor stadiums, sports venues or entertainment facilities (e.g. Citizens Bank Park, Lincoln Financial Field) where the public is charged an admission fee to enter.

(10.) The purchase, rental or licensing of a sign by a community, civic, religious or charitable organization, advertising the services of the organization.

Illustration No. 4: A nonprofit hospital contracts with an Outdoor Advertising Sign Company for the placement and maintenance of an Outdoor Advertising Sign. The placement of this Non-Accessory Sign is not subject to the tax.

96496

Section 203. Taxable Transactions.

(a.) The tax is imposed on the purchase, rental or licensing of space on any building, parcel, Sign Support Structure or newsstand located in the City for the purpose of installing, placing, or maintaining an Outdoor Advertising Sign. The term "Outdoor Advertising Sign" means every Non-Accessory Sign, located or situated in the open air, except those not subject to the tax, pursuant to Section 202 of these regulations.

(b.) The term "Outdoor" as it relates to an "Outdoor Advertising Sign" means located or situated in the open air.

(c.) Examples of taxable transactions include (but are not limited to) the following:

(1.) The purchase, rental or licensing of space for an Outdoor Advertising Sign placed on a Sign Support Structure such as an overhead highway billboard.

Illustration No.1: A car manufacturer leases space for the placement of a Non-Accessory Sign advertising its new model automobile along Interstate 95. The Non-Accessory Sign is an Outdoor Advertising Sign, the leasing of which is subject to the tax.

(2.) The purchase, rental or licensing of space for an Outdoor Advertising Sign that is attached to or affixed upon a building or other structure such as a wall, roof, pole or bench.

Illustration No. 2: The same car manufacturer leases space advertising the new model automobile along the outside of an industrial building visible from Interstate 95. This Non-Accessory Sign is an Outdoor Advertising Sign, the leasing of which is subject to the tax.

Illustration No. 3: A restaurant leases advertising space on an outdoor bench located within 3 blocks of the restaurant. This Non-Accessory Sign is an Outdoor Advertising Sign, the leasing of which is subject to the tax.

- (3.) The purchase, rental or licensing of space for an Outdoor Advertising Sign printed, displayed or posted in or on outdoor SEPTA facilities such as elevated train platforms, regional rail stations, bus shelters or terminal facilities. However, advertising posted within a station/terminal building (e.g. Frankford Transportation Center, Suburban and 30th Street Stations etc.) will not be subject to the tax. The Purchase Price associated with advertising at any SEPTA facility not located within the City of Philadelphia will not be subject to the tax.

Illustration No. 4: A bank buys space for the placement of Signs within the Suburban Station Concourse and its train platforms. These Non-Accessory Signs are not Outdoor Advertising Signs for the purposes of the tax since they are not "outdoors."

Illustration No. 5: The same bank buys space for the placement of Signs along the Elevated train stations from the Frankford Transportation Center station to the Spring Garden Street station. Since these stations are located in the open air, these Non-Accessory Signs are Outdoor Advertising Signs and the purchase of the space is subject to the tax.

Illustration No. 6: The same bank also purchases space for Signs to be posted along the Elevated train stations from 2nd Street station to 40th Street station as well as the entire Broad Street Subway line. These stations are underground and not in the open air and therefore not "Outdoors" for purposes of this tax. These Non-Accessory Signs are not Outdoor Advertising Signs and therefore the purchase of the space is not subject to the tax.

- (4.) The posting of a Sign in a store, office or building's window that is visible from outside the structure is taxable where a fee has been charged for the posting. The placement of a Sign in a window as a courtesy for which no charge is made (e.g. a poster advertising an event in a store's window) is not subject to the tax.

Section 204. Purchase Price.

- (a.) The tax is to be based on the full consideration paid, delivered or promised to an Outdoor Advertising Sign Company for the purchase, rental, licensing, installation or maintenance of an Outdoor Advertising Sign on any building, parcel, Sign Support Structure or newsstand.
- (b.) The Purchase Price shall not include the price paid to the owner or lessee of the real property in consideration for the erection of a Sign Support Structure. The contract for the construction of a Sign Support Structure and the subsequent placement of a Sign thereon should specify the charges/costs for each.

Illustration No. 1: XYZ Advertising Inc. (on behalf of their client) contracts with JFP Outdoor Advertising Inc. for the construction and subsequent use of a Sign Support Structure. As specified in the contract, the construction costs to erect the Structure is \$10,000 and the charge for the use of the space is \$5,000 per month. JFP Outdoor Advertising Inc. must collect the tax from XYZ Advertising Inc. based on the advertising charge of \$5,000 per month.

- (c.) Commissions: Where an Outdoor Advertising Sign Company invoices and receives payment directly from the purchaser/end user of advertising space and the Outdoor Advertising Sign Company pays commissions to a third party (i.e. advertising agency) as compensation or courtesy for the referral of business to the Outdoor Advertising Sign Company, such commissions shall not be deducted from the Purchase Price.

Where the Outdoor Advertising Sign Company invoices and receives payment for the sale of advertising space directly from a third-party (i.e. advertising agency), and the third-party retains commissions as compensation for their services, such commissions shall not be included in the Purchase Price.

Illustration No. 2: Joe's Soft Drinks Inc. contracts directly with XYZ Outdoor Advertising Inc. for the sale of advertising space to be paid on an annual basis. The contract price is \$100,000 for the sale of the advertising space. XYZ Outdoor Advertising Inc. invoices Joe's Soft Drinks Inc. and receives the \$100,000 payment. Subsequently, and outside of the contract between XYZ Outdoor Advertising Inc. and Joe's Soft Drinks Inc., XYZ pays a 5% commission to JFP Advertising Inc. for referring Joe's to them. The \$5,000 commission paid by XYZ to JFP Advertising Inc. cannot be deducted from the \$100,000 Purchase Price.

Illustration No. 3: Joe's Soft Drinks Inc. contracts with JFP Advertising Inc. for the design and placement of Outdoor Advertising Signs. The contract specifies that JFP's fee for services will be \$25,000. The contract also specifies that the cost of advertising space will be \$75,000 to be paid to unrelated third-party, XYZ Outdoor Advertising Inc. The Purchase Price subject to tax is \$75,000.

- (d.) Cost to Produce an Outdoor Advertising Sign: The actual cost incurred to produce the printed physical Sign or Outdoor Advertising Sign (e.g. the cost of poster stock, ink, photography etc.) will not be included in the Purchase Price provided there are proper cost

accounting procedures in place to produce a unit cost per sign and this unit cost is specified/itemized in any invoice billing. The producer of the Outdoor Advertising Sign can designate a retail markup percentage that will not be part of the Purchase Price, provided that this markup percentage is specified in the advertising contract. Where the production cost per unit cannot be reasonably derived (due to inadequate accounting systems or procedures) or where it is not specified/itemized in invoice billings, it will be presumed that all charges are for the purchase, rental or licensing, of the Outdoor Advertising Sign.

Illustration No. 4: JFP Advertising Inc. contracts with XYZ Outdoor Advertising Inc. for the production and placement of 25 Outdoor Advertising Signs on behalf of Joe's Soft Drinks Inc. The total amount of the contract is \$100,000 and included in the contract is a term stating that XYZ can bill for the cost to produce the physical Outdoor Advertising Signs plus a 10% retail markup. The actual production cost for the 25 Outdoor Advertising Signs was \$50,000 (or \$2,000 per unit) with a retail markup of \$200 per unit. XYZ invoices JFP itemizing a \$2,000 per unit production cost and a \$ 200 per unit retail markup for the 25 units. The \$55,000 retail price of the units (i.e. 25 units @ \$2,200) is not included in the taxable Purchase Price. The taxable Purchase Price is the remaining \$45,000 on the contract (i.e. \$100,000 - \$55,000).

Illustration No. 5: Assume the same facts as No. 4. However, XYZ Outdoor Advertising Inc. invoices JFP Advertising Inc. for the full contract price and does not separately state the production cost. The taxable Purchase Price is the entire contract amount of \$100,000.

Section 205. Outdoor Advertising Sign Company.

- (a.) An Outdoor Advertising Sign Company is the owner or operator of the structure (e.g. Sign Support Structure) used for the placement of the Outdoor Advertising Sign.
- (b.) Owner versus Operator. The owner of the real property upon which a Sign Support Structure is placed may be different from the operator of the structure or the site. If the owner merely leases the property for a fixed rent to a lessee, the owner will not be considered an Outdoor Advertising Sign Company for purposes of these regulations. The lessee/operator of the real property who engages in the business of selling, placing and maintaining an Outdoor Advertising Sign and/or Sign Support Structure will be considered an Outdoor Advertising Sign Company under these regulations.

Illustration No. 1: ABC Partnership leases a parcel of land to XYZ Outdoor Advertising Inc. for the construction of a Sign Support Structure to be used by XYZ Outdoor Advertising Inc. for the placement of Outdoor Advertising Signs. ABC is paid a monthly fixed rental fee. ABC is not an Outdoor Advertising Sign Company. XYZ is an Outdoor Advertising Sign Company.

- (c.) Community, civic, or charitable organizations shall fall into the definition of an Outdoor Advertising Sign Company if they directly sell the use of their own Sign Support Structure for the placement of an Outdoor Advertising Sign.

Section 206. Multiple Locations.

- (a.) Where a contract is entered into for the placement of Outdoor Advertising Signs both within and outside the City, only the Purchase Price charged for the purchase, rental, or licensing of the Outdoor Advertising Signs located within the City is subject to the tax.
- (b.) It is presumed that the charge for Outdoor Advertising Signs will be uniform for each location regardless of whether it is a Philadelphia or suburban location. It is the Outdoor Advertising Sign Company's burden to overcome this presumption. Where the Outdoor Advertising Sign Company represents that suburban space has a higher Purchase Price due to premium market revenue rates and/or supply & demand factors, the Outdoor Advertising Sign Company must be able to provide independent third-party market studies supporting their position. Merely specifying the different charges for Philadelphia versus suburban locations in the contract will not suffice.

Section 207. Reports & Returns.

- (a) All taxes collected by any Outdoor Advertising Sign Company in accordance with Philadelphia Code § 19-3400 and these regulations shall constitute a trust fund for the City and such trust shall be enforceable against that company and any person receiving any part of such fund without consideration, or with knowledge that the Outdoor Advertising Sign Company is committing a breach of trust. However, any person receiving payment of a lawful obligation of the Outdoor Advertising Sign Company from such fund shall be presumed to have received the same in good faith and without any knowledge of the breach of trust.
- (b) Every report and return shall be made upon a form furnished by the Department.
- (c) Every Outdoor Advertising Sign Company shall transmit to the Department, on or before the fifteenth (15th) day of each month, a return for the month preceding the month in which the return is made. The return shall report the amount of consideration received for the transactions during the month for which the return is made, the amount of tax due from the Outdoor Advertising Sign Company for that month, and such other information as the Department may require.
- (d) Every Outdoor Advertising Sign Company shall maintain records, which shall be made available to the Department upon its request. These records shall include, but not be limited to: the number of advertising transactions on a daily or weekly basis, the rate(s) charged for each transaction, the consideration received from all transactions during the month for which each return is made, as well as such other information as the Department may require.
- (e) If an Outdoor Advertising Sign Company enters the business of renting or selling advertising space subsequent to July 1, 2005, the first return shall be filed on the fifteenth (15th) day of the first month subsequent thereto. The first return and tax payment due shall be for all transactions occurring during the preceding month based upon the actual taxable transactions during the preceding month.

3355009

2010 11 18

DEPARTMENT

ARTICLE III

COLLECTION, RETURN, FILING & PAYMENT

Section 301. Collection, Returns and Payment of the Tax.

- (a.) Every Outdoor Advertising Sign Company shall determine the proper tax due to be collected from the purchaser, renter, lessee or licensee of the advertising space on the Outdoor Advertising Sign at the time the space is rented or purchased and shall remit the tax to the City on the return and in the manner prescribed by the Revenue Department. The renter, purchaser, lessee or licensee of the advertising space may be a third party (i.e. advertising agency).
- (b.) If an Outdoor Advertising Sign Company fails to collect or pay the tax to the City when due, it shall be liable to the City for the payment of the tax, including interest and penalties as provided in Philadelphia Code § 19-509.
- (c.) All taxes collected by an Outdoor Advertising Sign Company shall constitute a trust fund for the City of Philadelphia, and such trust shall be enforceable against the Outdoor Advertising Sign Company or any employee or agent of the same who exercises sufficient control over its financial affairs to be a responsible person.
- (d.) Every Outdoor Advertising Sign Company on or before the fifteenth (15th) day of each month shall prepare a return and pay the tax for the previous month's taxable transactions. For example, on or before August 15th, the Outdoor Advertising Sign Company must submit a return and pay the tax on July's taxable transactions.
- (e.) Every Outdoor Advertising Sign Company must prepare an Annual Summary Report detailing both taxable and non-taxable transactions for the preceding calendar year on or before February 28th.
- (f.) Every Outdoor Advertising Sign Company shall maintain records, which shall be made available to the Department upon its request, which shall include, but not be limited to, the number of advertising transactions on a daily or weekly basis, the rate(s) charged for each transaction, the consideration received from all transactions during the month for which each return is made, as well as such other information as the Department may require.

Section 302. Electronic Filing and Payment

- (a.) Effective January 1, 2011 through December 31, 2011, any Outdoor Advertising Sign Company that remits an average of \$20,000 or more per month will be required to file tax returns and remit attending tax payments electronically through electronic funds transfer ("EFT"). EFT includes automated clearinghouse (ACH) debits and/or credits and any other means or technologies that may be available to obtain the funds due the City in an efficient manner. The Department may by policy or announcement provide for additional electronic means/technologies as they become available.
- (b.) The \$20,000 average monthly threshold will be calculated using the monthly average from

the immediate prior calendar year's filings.

- (c.) Effective January 1, 2012 and thereafter, the Department may periodically determine or change the parameters for Outdoor Advertising Sign Companies to electronically file tax returns and remit the attending tax payments electronically. These parameters will be posted to the Department's website and Outdoor Advertising Sign Companies will be notified of the changes.
- (d.) The application of the Department's electronic filing and payment parameters for a particular Outdoor Advertising Sign Company will be determined by using the filings and payments for the Outdoor Advertising Sign Company in the immediate prior calendar year. If there is no filing for the prior year, the Department may set the parameters and notify the Outdoor Advertising Sign Company.
- (e.) Any Outdoor Advertising Sign Company who is required by this regulation to electronically file a return and fails to do so will be subject to a penalty of \$500 for each occurrence. Every month that the taxpayer fails to electronically file will constitute a separate occurrence. This penalty is in addition to any penalty due under Philadelphia Code § 19-509(5)(e).
- (f.) Any Outdoor Advertising Sign Company who is required by this regulation to make an electronic payment and fails to comply shall, in addition to any interest, penalties and fees owed under Philadelphia Code § 19-509, be subject to a penalty for each occurrence as follows:
 - (1.) If the amount to be paid electronically is less than or equal to \$10,000: five percent (5%) of the amount to be paid electronically.
 - (2.) If the amount to be paid electronically is more than \$10,000 but less than \$50,000: five hundred dollars (\$500).
 - (3.) If the amount to be paid electronically is \$50,000 or more: one percent (1%) of the amount to be paid electronically.

Every month that the Outdoor Advertising Sign Company fails to make electronic payments will constitute a separate occurrence.

Section 303. Liability for Uncollected or Unpaid Taxes.

- (a.) If an Outdoor Advertising Sign Company fails to collect the tax or collects but fails to remit the tax, it shall be liable for the entire tax due along with the prescribed interest and penalties. The Outdoor Advertising Sign Company shall also be subject to any other fines or actions as prescribed by law.

(b.) Where the Outdoor Advertising Sign Company has attempted collection of the tax from the purchaser, renter, lessee, or licensee of the Outdoor Advertising Sign and has not received the tax due, then any payment received by the Outdoor Advertising Sign Company from the purchaser, renter, lessee or licensee of the Outdoor Advertising will be considered by the Department of Revenue to include the tax and the tax shall be imputed. The imputed tax should be remitted to the Department of Revenue accordingly.

(c.) Method of Calculation for the Imputed Tax. The imputed tax will be determined by dividing the payment by 1.07.

Illustration: XYZ Outdoor Advertising attempts to collect the 7% tax from Joe's Soft Drinks Inc. The Purchase Price is \$1,000 for the month and the tax to be collected is \$70. Joe's pays XYZ the \$1000 Purchase Price and did not pay the \$70 tax.

Payment received / 1.07 = Purchase Price

$$\$1000/1.07 = \$935$$

The imputed tax that should be remitted to the Department is $(\$935 \times .07) = \65 .

Section 304. Payment & Collection.

- (a) Every Outdoor Advertising Sign Company shall collect the tax imposed by Philadelphia Code § 19-3400 from the renter or purchaser of advertising space at the time the space is rented or purchased, and shall pay it over to the City as provided herein. An Outdoor Advertising Sign Company that fails to collect the tax or pay it to the City when due shall be liable to the City for the payment of the tax, including penalties and interest as provided in Philadelphia Code § 19-509.
- (b) Every Outdoor Advertising Sign Company, at the time of filing every return required by this Section, shall compute and pay to the Department the taxes shown as due on the return for the period for which the return is made.

336503
2008 MAR 15 PM 12:32
DEPARTMENT OF REVENUE

ARTICLE IV

MAINTENANCE OF BOOKS AND RECORDS, REVIEW AND APPEAL

Section 401. Examination of Books and Records.

- (a.) Every Outdoor Advertising Sign Company must maintain books and records that detail the total number and dollar volume of both taxable and non-taxable outdoor advertising transactions for each return period. The Outdoor Advertising Sign Company's books and records must show the daily or weekly number of advertising transactions, the consideration or rates charged and received for the transactions, and whether or not they are taxable or non-taxable.
- (b.) Every Outdoor Advertising Sign Company reporting non-taxable transactions must be able to substantiate through its books and records that the transactions are not subject to the tax pursuant to Section 202 of these regulations.
- (c.) Upon the Department of Revenue's request, every Outdoor Advertising Sign Company must make their books and records available for inspection and/or audit examination. Failure to do so will subject the Outdoor Advertising Sign Company to additional estimated assessments for taxes, interest, penalties and any other sanctions prescribed by law.

Section 402. Review and Appeal.

- (a.) An Outdoor Advertising Sign Company may appeal the tax, interest and penalties assessed or any official action taken by the Department of Revenue (e.g. audit examination) in accordance with the provisions and procedures prescribed in Philadelphia Code § 19-1700.

DEPARTMENT OF REVENUE
APR 15 11:12:32

ARTICLE V

INTEREST, PENALTIES, COST AND ENFORCEMENT

Section 501. Penalties and Enforcement.

- (a.) All interest, penalties and costs as prescribed by Philadelphia Code § 19-500 will be used by the Department of Revenue to enforce the provisions of these regulations.

330505

DEPARTMENT OF REVENUE
2018 MAR 15 PM 12:32



Date: 3/13/18

Frank Breslin CPA, Revenue Commissioner