

General Instructions for Filing License/Tax Return

LICENSE FEE:

Cheltenham Township, in accordance with the provisions set forth in the Mercantile License Tax Ordinance and/or business Privilege Ordinance, requires you to procure an annual license for your business by April 15. The applicable rate will be listed on the attached tax return.

This payment is to be forwarded to the Township of Cheltenham along with the registration copy. This license is to be conspicuously posted at the place of business at all times. If there is more than one place of business within the township, it is necessary to procure a license for each location.

TAX RETURN:

AMOUNT OF TAX. The tax is based upon the type of business you conduct and the amount of gross receipts derived from that business. You must report gross receipts on a *calendar year* basis even though you may be on a fiscal year for your federal and state income tax returns. **The type of tax or taxes for which you are presently licensed is indicated by an "X" at the left of the numbers on the front page of this return.** **EXTENSION-** Requests for an extension in filing date must be made in writing prior to the due date (April 15 of the year when the return is due).

EXCLUSIONS AND DEDUCTIONS. The mercantile and business privilege tax is applicable to all receipts for sales and services, regardless of the location of the buyer so long as the taxpayer has no place of business located outside of Cheltenham Township.

MINIMUM TAX. If the mercantile tax calculated is less than \$2.00, enter "0" in right-hand column but volume must be shown on tax return. For the business privilege tax only, this tax need not be paid if it is less than ten dollars.

NEW BUSINESS. New businesses must file this form and pay the applicable tax within (60) days of commencing business. Lines 8 through 14 should be used by new businesses in completing this form. To arrive at estimated gross receipts, multiply the first month's gross receipts by the number of months remaining until the end of the current year.

LATE FILING. A penalty of ten percent (10%) of the amount of the tax due including estimated taxes plus interest at the rate of one and one quarter percent per month or fraction of a month must be added to your tax bill if this return is filed after the due date. If filing delinquent return covering more than the current year, **both** the estimated and actual final return must be filed for each year the taxpayer was in business.

FURTHER INFORMATION. If you have any questions about completing this form, contact the Township Tax Office at (215)887-1000