

Mobile Telecommunications Broadband Investment Tax Credit Application

For tax years beginning after December 31, 2013, and ending before January 1, 2024, a taxpayer that is a provider of mobile telecommunication services shall be allowed a tax credit against the corporate net income tax imposed under Article IV of the Tax Reform Code for investment in certain qualified broadband equipment placed into service in this Commonwealth.

“Qualified broadband equipment” is machinery and equipment located in this Commonwealth that is used by a mobile telecommunication services provider to provide Internet access service and is capable of sending, receiving, storing, transmitting, retransmitting, amplifying, switching or routing data, video or other electronic information. The term does not include machinery or equipment that is used to provide voice communication service.

Credit Determination

- (1) The amount of the tax credit shall be 5% of the purchase price of the qualified broadband equipment placed into service in Pennsylvania during the applicant’s taxable year that ended in the prior calendar year.
- (2) The amount of the tax credit that may be taken in a taxable year is limited to an amount not greater than 50% of the taxpayer's corporate net income tax liability.
- (3) Any credit claimed under this article but not used in the taxable year may be carried forward for not more than five consecutive taxable years. The tax credit may not be used to obtain a refund.

If the business firm is a pass-through entity, the entity may elect, in writing, according to the department's procedures, to transfer all or a portion of the credit to shareholders, members or partners in proportion to the share of the entity's distributive income to which the shareholder, member or partner is entitled. A pass-through entity and a shareholder, member or partner of a pass-through entity may not claim a tax credit under this article for the same qualified broadband equipment.

A shareholder, member or partner of a pass-through entity to whom credit is transferred must immediately claim the credit in the taxable year in which the transfer is made. The shareholder, member or partner may not carry forward, carry back, obtain a refund of or sell or assign the tax credit.

Credit Approval

The Department of Revenue will notify the taxpayer the amount of approved tax credit by December 15, 2020.

Limitation

The total amount of tax credits approved by the department shall not exceed \$5,000,000 in any fiscal year. If the total amount of tax credits applied for by all taxpayers exceeds the limitation on the amount of tax credits in a fiscal year, the tax credit to be received by each application shall allocated.

Application Deadline

A taxpayer may apply for a Mobile Telecommunications Broadband Investment Tax Credit by submitting an application containing original signatures along with supporting documentation to the Department of Revenue by October 15, 2020 for qualified broadband equipment placed into service in Pennsylvania in the applicant's taxable year that ended in the prior calendar year.

Application Submission

The completed application and supporting documentation must be mailed to the Department of Revenue on a portable data storage device with hyperlinked data to the tax credit worksheet on CD or flash drive.

- Do NOT email downloadable .zip files or provide links to stored files.
- Do NOT compress files or password protect individual documents submitted via portable or electronic media. A one-time password protect may be added to a device, however other security features or requirements to download may cause the device to be unreadable by the Department.
- Please be advised that all evidence submitted in conjunction with any application is the property of the Commonwealth of Pennsylvania and **will not be returned.**

Pennsylvania Department of Revenue Economic Development Coordinator 1133 Strawberry Square Harrisburg PA 17128

For additional information on the Mobile Telecommunications Broadband Investment Tax Credit, contact the Economic Development Coordinator at 717-772-3896 or ra-btftrevkoz@pa.gov.

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PRIMARY BUSINESS REPRESENTATIVE

Please provide an attachment to this page if the business has a secondary representative or additional representatives that may answer questions and discuss confidential tax matters in relation to the application.

Title:

Company name:

Phone:

Fax:

E-mail:

Mailing Address:

City:

State:

ZIP Code:

BUSINESS INFORMATION

Entity Name:

Facility Address:

City:

State:

ZIP Code:

TAX INFORMATION

Entity Type:

Indicate how the entity reports to the Internal Revenue Service?

- C Corporation
 S Corporation
 Partnership
 Limited Liability Company (LLC)
 Limited Partnership (LP)

If LLC is selected, is the LLC a

- Partnership
 C Corporation
 S Corporation
 Disregarded Entity (Corporate) LLC
 Disregarded Entity (Sole Proprietorship)
 Single-Owner LLC

TAX INFORMATION
Federal Employer Identification Number:
PA Revenue ID:
PA Sales/Use Tax License Number:
PA Employer Withholding Account Number:
PA Corporate Tax Account Number:
PURTA Number:
Unemployment Compensation Number:
NAICS Code:

SHAREHOLDER/PARTNER/MEMBER INFORMATION				
Provide the information requested in the boxes below for the following entities: all shareholders, partners, members, etc., of an S corporation, partnership, LLC and all persons or business that will receive pass-through income from the business. If you need additional space, please attach a spreadsheet behind this page.				
Name	SSN/EIN	Ownership %	Mailing Address, City, State and ZIP	Phone Number

TAX CREDIT DETERMINATION

Is the applicant a mobile telecommunication services provider? _____Yes _____No

(a) General rule.--For tax years beginning after December 31, 2013, and ending before January 1, 2024, a taxpayer that is a provider of mobile telecommunication services shall be allowed a tax credit against the tax imposed under Article IV for investment in qualified broadband equipment placed into service in this Commonwealth the applicant's taxable year that ended in the prior calendar year.

Total Cost of Equipment Purchased

\$ _____

Total Credit Requested

\$ _____

SUPPORTING DOCUMENTATION

1. Completed Mobile Telecommunications Broadband Investment Tax Credit Worksheet in electronic format. The worksheet may be downloaded from the Department of Revenue Tax Credits webpage: <https://www.revenue.pa.gov/taxcredits>
2. Copies of complete invoices for all purchase transactions, in the order as they appear On the worksheet with invoice copies hyperlinked using the invoice number.
 - If only certain items on an invoice qualify, identify those specific items on the invoice.
3. Description of each item and how it qualifies as "Qualified broadband equipment".

"Qualified broadband equipment" is machinery and equipment located in this Commonwealth that is used by a mobile telecommunication services provider to provide Internet access service and is capable of sending, receiving, storing, transmitting, retransmitting, amplifying, switching or routing data, video or other electronic information. The term does not include machinery or equipment that is used to provide voice communication service.

4. Proof of payment.
 - For each transaction submit proof of payment documentation to verify amount and date of payment/remittance. Reconcile all documentation to requested tax credit.

Proof of payment shall consist of:

- Copy (front and back) of cancelled check. If check and invoice amounts differ, provide a copy of the check voucher or documentation to support amount paid and reconcile any differences. In the alternative provide a bank statement, which includes a printout of the check showing the amount of the check and the date the check cleared and reconcile this to the invoice amount.

- For electronic payment in addition to any internal payment voucher, submit a copy of the actual transmittal confirmation or bank statement directly from the bank showing the cleared electronic payment. Reconcile individual invoices to transmittal or bank statement, accounting for subsequent bank adjustments to any transmittal. A voucher, memo, or other internal document from Applicant’s accounting system alone is not sufficient proof of payment.

The applicant is required to submit the full application on a compact disc or thumb drive.

STATEMENT OF AUTHENTICITY Please provide the name of person completing the application.
Name:
Signature:
Date of Submission:
DEPARTMENT USE ONLY POST MARK DATE:

The Department of Revenue has the authority to perform an audit on the applicant upon submission of this application to verify that the statements and evidence within this application are accurate and acceptable under the program requirements and Pennsylvania tax law and regulations.