

NEW FOR 2012

- RCT-125 has been redesigned and is no longer year-specific.
- Line-by-line instructions for RCT-125 are now available.
- RCT-125 is available as a fill-in form on the department's website at **www.revenue.state.pa.us**.
- **Revenue ID:** For the 2012 tax year, a corporation's Revenue ID is its seven-digit PA Tax Account ID OR a new, unique, 10-digit number assigned by the department to a taxpayer, separate from any federally issued identification number(s) or Pennsylvania license number(s).

As the department transitions to an integrated tax system, a 10-digit Revenue ID number will be assigned and communicated to each taxpayer. A corporation's PA Tax Account ID will continue to be accepted by the department on tax forms and schedules, but upon assignment of a 10-digit Revenue ID to a taxpayer, the department will begin using the 10-digit Revenue ID on outbound correspondence in lieu of referencing the Tax Account ID.

REMINDER

- REV-1175, Schedule AR, (explanation for amending) must be included when filing an amended report.
- One extension coupon (REV-426) will be used for all specialty taxes. The coupon and the tax report (RCT-125) will no longer be mailed. These forms are available as fill-in documents on the department's website at **www.revenue.state.pa.us**. The REV-426 extension coupon can be filed electronically through e-TIDES at **www.etides.state.pa.us**. However, electronic filing of the tax report is not available. The report should be completed using the computer-based fill-in form, printed and submitted by mail to the department. The form can be saved electronically for your records.
- The federal Form 1120-C or federal Form 1120 must be submitted with RCT-125.

Annual Report Checklist: Make sure you include the following to file your annual report properly and completely:

- Complete RCT-125, Corporate Net Income Tax - Cooperative Agriculture Association
- Copies of federal Form 1120-C or federal Form 1120
- Corporate officer's signature on Page 1 and preparer's signature and PTIN on Page 2, if applicable.

All tax calculations must be shown in **whole dollar** amounts. An amount less than 50 cents will be eliminated, and an amount of 50 cents or more will be rounded to the next dollar.

Imposition, Base and Rate

Cooperative agriculture association corporate net income tax is imposed at the rate of 4 percent on the net income attributable to business transacted in Pennsylvania of incorporated cooperative agriculture associations having capital stock, and either doing business or having capital or property employed or used in Pennsylvania. This tax is imposed under the Act of May 23, 1945, P.L. 893 (72 P.S. § 3420-21).

Revenue ID, Federal Employer Identification Number (FEIN), Parent Corporation FEIN, Name and Address

The Revenue ID number, FEIN, name and complete mailing address must be provided. If the taxpayer is a subsidiary of a corporation, the parent corporation's FEIN must be provided. Also provide the telephone number and email address of the taxpayer.

Tax Year

Enter month, day and year (MM DD YYYY) for the tax year beginning and year (YY) for the tax year end.

Report Due Date

This report is due April 15 for an association reporting on a calendar year basis. For associations reporting on a fiscal year basis, the report is due on or before the 15th day of the fourth month after the close of the fiscal year. If either date falls on a Saturday, Sunday or holiday, the report is due the next business day. A 10 percent late-filing penalty will be imposed on late reports and assessed at the time of filing.

Address Change

Enter "Y" in the block on Page 1 if the address of the corporation has changed from prior tax periods. The current mailing address should be reflected on the report.

Correspondence to Preparer

Enter "Y" in the block on Page 1 if all correspondence (notices and requests for additional information) is to be sent to the preparer's address. If "Y" is entered, the address recorded on Page 2 will be used.

Amended Report

Enter "Y" in the block on Page 1 if you are filing an amended report to add, delete or adjust information. Provide documentation to support all changes being made. An amended report should only be filed if an original report was filed previously for the same period.

An amended report must be filed within three years of the filed date of the original report. The department may adjust the tax originally reported based on information from the amended report. The taxpayer must consent to extend the assessment period. If the amended report is timely filed and the taxpayer consented to extend the assessment period, the time period in which to assess tax will be the greater of three years from the filed date of the original report or one year from the filed date of the amended report.

When filing an amended report, record the amended tax liability on Page 1, Line 1. REV-1175, Schedule AR, must be included when filing an amended report.

First Report

Enter "Y" in the block on Page 1 if this is the taxpayer's first PA cooperative tax filing.

Electronic Payment

Enter "Y" in the block on Page 1 if the taxpayer has made any electronic payments using e-TIDES.

Last Report

- Enter "Y" in the block on Page 1 if this report will be the last report filed with the department. Indicate the effective date of the event as MM DD YYYY.
- Include a completed Schedule of Disposition of Assets, REV-861.
- Include a copy of the regulatory authority's approval of the merger, dissolution, plan of reorganization and/or articles of merger.
- Provide the Revenue ID number and FEIN of the surviving entity, if applicable.

Corporate Officer Information

A corporate officer must sign and date the tax report. The signature must be original; photocopies or faxes will not be accepted. Print the first and last name, title, Social Security number, telephone number and email address of the corporate officer.

Preparer's Information

Paid preparers must sign and date the tax report. If the preparer works for a firm, provide the name, FEIN and address of the firm along with the name, telephone number, email address and SSN/PTIN of the individual preparing the report. If the preparer is an individual without any association to a firm, provide the name, address, telephone number, email address and SSN/PTIN of the individual preparing the report.

Extension Request Due Date

To request a due date extension of up to 60 days to file the annual report, you must file an extension request (REV-426) by the original report due date. However, an extension of time to file does not extend the deadline for payment of tax, and an extension request must be accompanied by payment of taxes owed for the taxable year for which the extension is requested. Mail the extension coupon separately from all other forms. A taxpayer using an electronic method to make a payment with an extension request should not submit the extension coupon. Do not use the extension coupon to remit other unpaid liabilities or commonwealth obligations within the account.

Payment and Mailing Information

Remittance should include tax plus interest and penalty if applicable. Penalty and interest calculators can be found at **www.revenue.state.pa.us**. Payments of \$10,000 or more must be remitted electronically. For more information on electronic payment options, visit **www.etides.state.pa.us**. Payments under \$10,000 may be remitted by mail, made payable to the PA Department of Revenue.

Mail payments, extension requests and Tax Report, RCT-125, to the following address:

PA DEPARTMENT OF REVENUE
PO BOX 280407
HARRISBURG, PA 17128-0407

Current Period Overpayment

If an overpayment exists on Page 1 of the RCT-125, the taxpayer must instruct the department to refund or transfer overpayment as indicated below.

Refund: Identify the amount to refund from the current tax period overpayment. Prior to any refund, the department will offset current period liabilities and other unpaid liabilities or commonwealth obligations within the account.

Transfer: Identify the amount to transfer from the current tax period overpayment to the next tax period for estimated tax purposes. Prior to any transfer, the department will offset current period liabilities and other unpaid liabilities or commonwealth obligations within the account.

NOTE: If no option is selected, the department will automatically transfer any overpayment to the next tax year for estimated tax purposes after offsetting current period liabilities and other unpaid liabilities or commonwealth obligations within the account.

Requests for Refund or Transfer of Available Credit

Requests for refund or transfer of available credit from prior periods can be faxed on company letterhead, signed by an authorized representative, to 717-705-6227.

Requests can also be submitted in writing to the following address:

PA DEPARTMENT OF REVENUE
PO BOX 280701
HARRISBURG, PA 17128-0701

Please do not duplicate requests for refund and/or transfer by submitting both RCT-125 and written correspondence.

CONTACT INFORMATION

- To make electronic payments and file extensions electronically, visit e-TIDES at **www.etides.state.pa.us**. For additional information and assistance with electronic payments and extensions call 717-705-6225. (Option 5 then Option 2)
- To confirm account payments, call 1-888-PATAxes (1-888-728-2937).
- If you have questions regarding payments or refunds, call the Accounting Division at 717-705-6225 (Option 5, then Option 1 or 3).
- Requests for transfer of credit may be faxed to the Accounting Division at 717-705-6227.
- If you have questions regarding extensions, call the Extension Unit at 717-787-2632. Requests can also be faxed to 717-346-1958.
- If you have questions regarding tax settlements, assessments, tax determinations or filing requirements, call the Specialty Tax Unit at 717-783-6031 (Option 7, then Option 2).
- If you have general business tax questions, call 717-787-1064.

RCT-125 should be completed in the following order:

- Step 1** - Complete the taxpayer information section and any applicable questions at the top of Page 1.
- Step 2** - Enter the Revenue ID number and other taxpayer information in the designated fields at the top of each page.
- Step 3** - Complete Page 2, Schedule A, Reconciliation of Beginning and Ending Unappropriated Retained Earnings.
- Step 4** - Complete Page 2, Schedule B, Determination of Allocation Decimal.
- Step 5** - Complete Page 2, Calculation of Tax.
- Step 6** - Complete Page 1, Tax Liability, Payment and Overpayment sections.
- Step 7** - Complete Page 3, General Information.
- Step 8** - Complete Page 3, Schedule of Real Property in PA.
- Step 9** - Complete the corporate officer information section, sign and date at the bottom of Page 1.
- Step 10** - Complete the preparer's information section, sign and date at the bottom of Page 2, if applicable.
- Step 11** - Mail the complete report and any supporting schedules to the PA Department of Revenue.

Page 2**Schedule A - Reconciliation of Beginning and Ending Unappropriated Retained Earnings****Line 1 - Balance – Beginning of Year**

Enter the beginning retained earnings.

Line 2 - Net Income per Books

Enter the net income per books.

Line 3 - Other Increases (Attach Schedule)

Enter the amount of other increases.

Line 4 - Total

Enter the sum of Lines 1 through 3.

Line 5 - Patronage Refunds

Enter the patronage refunds.

Line 6 - Transferred to Reserves

Enter the amount that was transferred to reserves.

Line 7 - Statutory Reserve

Enter the amount from the statutory reserve.

Line 8 - Other Decreases

Enter the amount of other decreases; detail of all decreases must be provided.

Line 9 - Dividends on Capital Stock Declared or Declared and Paid

Enter the dividends on capital stock declared or declared and paid.

Line 10 - Total Decreases

Enter the sum of Lines 5 through 9.

Line 11 - Balance – End of Year

Enter the difference of Line 4 minus Line 10.

Schedule B - Determination of Allocation Decimal**Line 1 - Total Gross Receipts Assignable to Pennsylvania**

Enter the total gross receipts assignable to PA.

Line 2 - Total Gross Receipts from all Business

Enter the total receipts from all business.

Line 3 - Allocation Decimal

Divide Line 1 by Line 2. Carry to six decimal places.

Calculation of Tax**Line 1 - Net Income**

Enter the dividends declared or declared and paid from Schedule A, Line 9.

Line 2 - Allocation Decimal

Enter the decimal from Schedule B, Line 3.

Line 3 - Net Income Allocated to Pennsylvania

Multiply Line 1 by Line 2.

Line 4 - Tax

Multiply Line 3 by 0.04. Carry the tax to Page 1, Line 1.

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General Information - Taxpayers should provide the following information:

Where and with whom the business records are located

The state where the entity was incorporated or organized and the date it occurred

A list of all other states where the entity conducts business

Schedule of Real Property in PA

Taxpayers must report the location of any real property utilized in Pennsylvania during the current tax period. Provide the requested information if the property was owned or rented by the taxpayer.