

Instructions for RCT-132B

Pennsylvania Bank and Trust Company - Shares Tax Report

RCT-132B I (08-16)

WHAT'S NEW

The shares tax rate is 0.95% effective Jan. 1, 2017.

For purposes of apportionment, receipts include all items of income reported on the income statement of the institution's Reports of Condition at the end of the preceding calendar year. For an institution that does not file quarterly Reports of Condition, receipts include all items of income included on an income statement determined in accordance with Generally Accepted Accounting Principles for the preceding calendar year.

Method 1 numerator shall be determined by multiplying the total amount of receipts from trading assets and activities **AND** investment assets and activities by a fraction, the numerator of which is the total amount of all other receipts attributable to PA and the denominator of which is the total amount of all other receipts.

GENERAL INFORMATION

REMINDER

- Loans tax has been repealed for tax periods beginning after Dec. 31, 2013. Do not complete Line 1b on Page 1 for such tax periods. Please refer to the fourth bullet under REMINDER regarding the filing of prior year reports.
- All payments of \$1,000 or more must be made electronically or by certified or cashier's check remitted in person or by express mail courier.
- Use only whole dollars when preparing tax reports.
- RCT-132B is used to report Pennsylvania bank and trust company shares tax. This form is **ONLY** to be used by national and state banks

and trust companies to report shares tax for Jan. 1, 2015 and forward.



NOTE: If filing for a prior year, please use the appropriate form and instructions in the year-specific folder found on the department's website at **www.revenue.pa.gov**.

- Taxpayers may request a six-month extension to file this report by filing REV-426.



NOTE: The automatic PA extension provided by Act 52 of 2013 to those with valid federal extensions **DOES NOT** apply to this tax.

- An institution is engaged in doing business in this commonwealth and is subject to the tax imposed under Article VII if it generates gross receipts apportioned to this commonwealth under Section 701.4 of the tax reform code and satisfies any of the nexus requirements. See instructions for Page 3 of RCT-132B for calculation of Receipts Factor.
- The penalty imposed for failure to file timely reports is now a minimum of \$500, regardless of the determined tax liability, plus an additional 1 percent of any determined tax liability over \$25,000.
- RCT-132B is available as a fill-in form on the department's website at **www.revenue.pa.gov**. Use **ONLY** the most current, non-year-specific tax form and instructions for filing the current tax year report. **If an amended report must be filed, taxpayers must use the most current, non-year-specific tax form, completing all sections of the form. 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 will no longer be mailed. These forms are available as fill-in documents on the department's website at **www.revenue.pa.gov**. REV-426 coupons 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.

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

- Negative amounts must be written using a minus sign preceding the number. Do not use parentheses.
- Complete RCT-132B, Pennsylvania Bank and Trust Company Shares Tax Report.
- A complete copy of the Dec. 31 Quarterly Report of Condition as reported with the appropriate regulatory authorities to include Schedule RI-Income Statement, Schedule RC-Balance Sheet and all other schedules included within the Report of Condition. If an institution does not file the Reports of Condition, items of income and book values shall be determined by Generally Accepted Accounting Principles as of the end of the preceding calendar year.
- Detailed schedules for Goodwill and U.S. Obligations claimed on the tax report.
- Corporate officer's signature on Page 1 and preparer's signature and PTIN on Page 2, if applicable.

Imposition, Base and Rate

Shares tax is imposed at the rate of 0.95 percent on taxable shares of bank and trust companies located in Pennsylvania and having capital stock.

Loans tax has been repealed for the tax periods beginning after Dec. 31, 2013. Do not complete Line 1b on Page 1 for such tax periods.

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

For shares tax enter the year (YY) of the spot tax.

Report Due Date

This report is due on March 15 following the Jan. 1 shares reported. If March 15 falls on a Saturday, Sunday or holiday, the report is due the next business day. The penalty imposed for failure to file timely reports is a minimum of \$500, regardless of the determined tax liability, plus an additional 1 percent of any determined tax liability over \$25,000.

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.

Regardless of the tax year being amended, taxpayers must use the most current non-year-specific tax form, completing all sections of the report. This includes those sections originally filed and those sections being amended. All tax liabilities should be recorded on Page 1. Taxpayers must check the Amended Report check box on Page 1 and include Schedule AR, REV-1175, with the report.

First Report

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

Electronic Payment

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

KOZ/EIP Credit

Enter "Y" in the block on Page 1 if the corporate taxpayer is claiming the Keystone Opportunity Zone Credit, the Keystone Opportunity Expansion Zone Credit or the Employment Incentive Payment Credit.

Final Report

- Enter "Y" in the block on Page 1 if this report will be the final report filed with the department. Indicate the effective date of the event as MMDDYYYY.
- 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 and FEIN of the surviving entity, if applicable.
- Provide notification that the Federal Deposit Insurance Corporation is

acting as a receiver "under title 12 USC. § 1825(b)(1)".

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 PTIN/SSN 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 PTIN/SSN of the individual preparing the report.

Extension Request Due Date

To request a due date extension of up to six months 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 within the account.

Payment and Mailing Information

All payments of \$1,000 or more must be made electronically or by certified or cashier's check remitted in person or by express mail courier. Failure to make a payment by an approved method will result in the imposition of a three percent penalty of the tax due, up to \$500. For more information on electronic payment options, visit www.etides.state.pa.us. Payments under \$1,000 may be remitted by mail, made payable to the PA Department of Revenue.

Mail payments, extension requests and tax report, RCT-132B, to the following address:

PA DEPARTMENT OF REVENUE
327 WALNUT ST FL 3
PO BOX 280407
HARRISBURG PA 17128-2005

Current Period Overpayment

If an overpayment exists on Page 1 of RCT-132B, 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 within the account.

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



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

A tax period overpayment summary will be mailed to the taxpayer confirming the disposition of the credit.

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-132B 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 6).

- 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).
- 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 717-705-6225 (Option 4). Requests can be faxed to 717-705-6227.
- If you have questions regarding tax assessments, 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.

LINE INSTRUCTIONS

RCT-132B should be completed in the following order:

(Page instructions start with Page 3.)

Step 1 - Complete the taxpayer information and any applicable questions at the top of Page 1.

Step 2 - Indicate the type of bank on Page 1 - National Bank, State Bank, or Trust Company. This information is required.

Step 3 - Enter the Revenue ID and other taxpayer information in the designated fields at the top of each page.

Step 4 - Complete Page 4, Schedule A1.

Step 5 - Complete Page 3, Schedule A, Receipts Factor.

Step 6 - Complete Page 2, Calculation of Shares Tax Apportionment (Lines 14 through 16).

Step 7 - Complete Page 2, Calculation of End of Year Taxable Shares (Lines 1 through 9).

Step 8 - Complete Page 2, Calculation of Shares Tax (Lines 10 through 13).

Step 9 - Complete Page 1, Tax Liability, Payment and Overpayment section.

Step 10 - Complete the corporate officer information section, sign and date at the bottom of Page 1.

Step 11 - Complete the preparer information section, sign and date at the bottom of Page 2, if applicable.

Step 12 - Mail the complete report and all supporting schedules to the PA Department of Revenue.

PENNSYLVANIA BANK AND TRUST COMPANIES SHARES TAX INSTRUCTIONS FOR APPORTIONMENT.

PAGE 3

SCHEDULE A - RECEIPTS FACTOR MUST BE COMPLETED IN ITS ENTIRETY IF CLAIMING APPORTIONMENT.

Who may apportion?

A financial institution may apportion its taxable amount of shares if the institution is or could be subject to tax in another state based on or measured by net worth, gross receipts, net income or another similar base of taxation.

Receipts Factor - The numerator is total receipts in Pennsylvania and the denominator is total receipts everywhere. For purposes of apportionment, receipts include all items of income reported on the income statement of the institution's Reports of Condition at the end of the preceding calendar year. For an institution that does not file quarterly Reports of Condition, receipts include all items of income included on an income statement determined in accordance with Generally Accepted Accounting Principles for the preceding calendar year.

An institution is engaged in doing business in this commonwealth and is subject to the tax imposed under Article VII if it generates gross receipts apportioned to this commonwealth under Section 701.4 (see instructions below for calculation of Receipts Factor) and satisfies any of the nexus requirements.

For more information on the determination of the location of receipts

see Article VII, Section 701.4 of the Tax Reform Code, as amended, 72 P.S. § 7701.4.

Line 1 - Receipts from Lease or Rental of Real Property.

Line 2 - Receipts from Lease or Rental of Tangible Personal Property.

Line 3 - Interest Fees and Penalties in Connection with Loans Secured by Real Property.

Line 4 - Interest Fees and Penalties in Connection with Loans Not Secured by Real Property.

Line 5 - Net Gains from Sale of Loans.

Line 6 - Interest Fees and Penalties Charged to Cardholders.

Line 7 - Net Gains from Sale of Credit Card Receivables.

Line 8 - Card Issuer's Reimbursement Fees.

Line 9 - Receipts from Merchant Discounts.

Line 10 - ATM Fees.

Line 11 - Loans Servicing Fees.

Line 12 - Receipts from Services.

Line 13 - Receipts from Investment/Trading, Assets and Activities. Complete Page 4. Schedule A1.

Line 14 - Receipts from Sale or Disposition of Property.

Line 15 - All Other Receipts.

Line 16 - Total Receipts (Add Lines 1 through 15.)

Line 17 - Receipts Factor (Line 16a divided by Line 16b; carry to 6 decimal places.)

PAGE 2

PAGE 2 CALCULATION OF SHARES TAX APPORTIONMENT

Line 14 - Total Receipts Inside PA (from Page 3, Schedule A, Line 16a.)

Line 15 - Total Receipts Everywhere (from Page 3, Schedule A, Line 16b.)

Line 16 - Receipts Factor (Line 14 divided by Line 15; carry to six decimal places.)

CALCULATION OF END OF YEAR TAXABLE SHARES

A. The book value used for this schedule is the value reflected on the Dec. 31 Quarterly Report of Condition filed with the appropriate regulatory authority. If the total bank equity capital and total assets do not match the end of year balance sheet, provide a schedule reconciling the difference.

B. For trust companies that do not file reports of condition, book value is the value at the end of the year under generally accepted accounting principles.

C. A deduction for goodwill recorded as a result of the use of purchase accounting for an acquisition or combination occurring after June 30, 2001, may first be taken on the Jan. 1, 2008, bank shares tax report and subsequent reports. A taxpayer taking a deduction for goodwill **MUST** provide a schedule detailing the goodwill listed on the balance sheet of the applicable call report. Include the name of the entity, date of combination and amount of goodwill. Goodwill is a deduction from total bank equity capital and total assets.

D. Submit a schedule identifying U.S. obligations by names and amounts claimed for the Dec. 31 quarter. Please refer to Corporation Tax Bulletin 94 (Revised) for a list of those obligations which constitute U.S. obligations and non U.S. obligations.

END OF YEAR TAXABLE SHARES

Line 1 - Total Bank Equity Capital from Balance Sheet (See A or B above.)

Line 2 - Total Assets from Balance Sheet (See A or B above.)

Line 3 - Goodwill (See C above.)

Line 4 - Net Bank Equity (Line 1 minus Line 3.)

Line 5 - Net Assets (Line 2 minus Line 3.)

Line 6 - U.S. Obligations (See D above.)

Line 7 - Divide Line 6 by Line 5; carry to 6 decimal places.

Line 8 - Deduction for U.S. Obligations (Multiply Line 4 by Line 7.)

Line 9 - Current End of Year Value of Shares (Subtract Line 8 from Line 4.)

CALCULATION OF SHARES TAX

Line 10 - Current End of Year Value of Shares (from Line 9 above.)

Line 11 - Shares Tax Apportionment (from Line 16); carry to six decimal places.

Line 12 - Total Amount of Shares Subject to Tax (Line 10 times Line 11.)

Line 13 - Tax (Multiply Line 12 by 0.95 percent (0.0095). Carry the tax to RCT-132B, Page 1, Line 1a.

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SCHEDULE A1 - RECEIPTS FACTOR

Procedure for requesting approval to change methods:

For the Jan. 1, 2018 shares tax, the taxpayer must submit a letter of request, including supporting documentation, for approval to change method.

The letter of request must be sent to the following address:

PA DEPARTMENT OF REVENUE
BUREAU OF CORPORATION TAXES
- DIRECTOR'S OFFICE
ATTN: CHIEF - TAXING DIVISION
PO BOX 280700
HARRISBURG PA 17128-0700