Instructions for RCT-101 D

Corporations not formed under the laws of the Commonwealth of Pennsylvania whose Pennsylvania activity during a tax year is considered de minimis as outlined in Tax Bulletin 2004-01, are not required to file a complete PA Corporate Tax Report, RCT-101, for that period. Instead, these corporations may file RCT-101D, affirming PA activity during the period is de minimis. A corporation preparing to file RCT-101D is reminded of the following:

1. RCT-101D is not a tax report, and the statute of limitations regarding the assessment of tax does not apply.
2. If a taxpayer files RCT-101D and subsequently wants to use a tax benefit for that period, the taxpayer must file a complete RCT-101 for each year, beginning with the year in which the tax benefit is generated, through the year in which the benefit is to be used.

In cases where the taxpayer files RCT-101D and later files RCT-101, the taxpayer will be liable for all taxes due for these periods. Applicable interest will also be imposed from the original due date of the report to the date the taxes are paid. The imposition of late filing penalties will be based on the filing date of the RCT-101D.

Example 1

Company A files RCT-101D for Dec. 31, 2008, on March 14, 2009. On April 15, 2010, the taxpayer files RCT-101 for Dec. 31, 2008, in order to utilize a net operating loss from this period in the calculation of the Dec. 31, 2009, corporate net income tax. The RCT-101 for Dec. 31, 2008, reports $200 of foreign franchise tax, which is paid with the report. In this case, the taxpayer would be assessed interest on $200 from April 15, 2009, to April 15, 2010. Since the taxpayer did file RCT-101D for 2008 prior to the due date of the RCT-101 for 2008, a late-filing penalty will not be imposed.

Example 2

Same facts as Example 1, except Company A did not file RCT-101D until Dec. 15, 2009. In this case, since RCT-101D was not filed prior to the due date of the RCT-101 for 2008, Company A would be assessed both interest and a late-filing penalty.

Tax Bulletin 2004-1 is available on the PA Department of Revenue website at **www.revenue.state.pa.us.**

Completed RCT-101D forms should be mailed to:

BUREAU OF CORPORATION TAXES
PO BOX 280708
HARRISBURG PA 17128-0708