### Alabama Department of Revenue

**Alabama Business Privilege Tax**

**Initial Privilege Tax Return**

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**Initial Privilege Tax** – This form is to be completed ONLY by taxpayers who incorporated, organized, qualified, registered or started doing business in Alabama in 2010. NOTE: Initial returns must be filed within 2-1/2 months of incorporation, organization or qualification. See the detailed instructions on the Alabama Department of Revenue Web site (www.revenue.alabama.gov).

Make check payable to: Alabama Department of Revenue

(Payment must be submitted with Form BPT-V, unless payment is made electronically)

Mail to: Alabama Department of Revenue, Business Privilege Tax Section

P.O. Box 327320, Montgomery, AL 36132-7320

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**Type of taxpayer (check only one):**

- 1a. C Corporation
- 1b. Insurance Company
- 1c. Financial Institution Group Member
- 1d. LLE Taxed as Corporation
- 1e. Real Estate Investment Trust
- 1f. Business Trust
- 1g. S Corporation
- 1h. Limited Liability Entity
- 1i. Disregarded Entity

**DO NOT FILE FORM BPT-IN AS AN ANNUAL RETURN**

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**TAXPAYER INFORMATION**

- 2a. Date of Qualification, Incorporation or Organization

(see instructions)

- (mm/dd/yyyy)

- (check only one)

- Alabama Business Privilege Tax

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**SIGN HERE**

Your Signature

Title

Phone number

Date

Preparer’s social security no.

E.I. No.

ZIP Code

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**COMPUTATION OF AMOUNT DUE**

- 14. Privilege tax due (Page 2, Part B, line 21)

- 15. Penalty due (see instructions)

- 16. Interest due (see instructions)

- 17. Total privilege tax due (add lines 14, 15 and 16) (Form BPT-V must be submitted if payment is made by check)

- 18. Check here if paid electronically:

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**Under Penalties of Perjury,** I declare that I have examined this return and accompanying schedules and statements and, to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

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Please Sign Here

Your Signature

Title

Phone number

Date

Preparer’s social security no.

E.I. No.

ZIP Code

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Please enter the date the entity incorporated, organized, qualified or registered in Alabama or started doing business in Alabama, whichever occurred first:
# Alabama Business Privilege Tax
## Initial Privilege Tax Return

### Part A – Net Worth Computation. Complete I, II or III only.

**I. Corporations & Entities Taxed as Corporations**
1. Issued capital stock and any additional paid in capital, but without reduction for treasury stock 
2. Retained earnings, but not less than zero, including dividends payable. For LLC’s taxed as corporations and non-stock issuing entities such as business trusts, enter assets minus liabilities 
3. Gross amount of related party debt exceeding the sum of lines 1 and 2 
4. For C corporations all payments for compensation or similar amounts in excess of $500,000. 
5. For S corporations all payments for compensation, distributions or similar amounts in excess of $500,000 
6. Total net worth (add lines 1 - 5) 

**II. Limited Liability Entities (LLE’s)**
7. Sum of the partners/members’ capital accounts, but not less than zero. 
8. All compensation, distributions, or similar amounts paid to a partner/member in excess of $500,000 
9. Gross amount of related party debt exceeding the amount of line 7 
10. Total net worth (add lines 7, 8 and 9) 

**III. Disregarded Entities**
11. If a disregarded entity has as its single member a taxpayer that is subject to the privilege tax, then the disregarded entity pays the minimum tax. (Go to Part B, line 21) 
   - Single Member Name: 
   - FEIN: 
12. Assets minus liabilities for all disregarded entities that have as a single member an entity that is not subject to the privilege tax 
13. Gross amount of related party debt exceeding the amount on line 13 
14. For disregarded entities, all compensation, distributions, or similar amounts paid to a member in excess of $500,000 
15. Total net worth (add lines 13, 14 and 15 and go to Part B, line 1) 

### Part B – Privilege Tax Exclusions and Deductions

#### Exclusions (Attach supporting documentation) *(See instructions)*
1. Net worth from Part A – line 6, 10, or 16 
2. (Reserved for future use.) 
3. Financial institutions only – Book value of the investments in other corporations or LLE’s if the taxpayer owns more than 50% of the corporation or LLE. 
4. Unamortized portion of goodwill and core deposit intangibles resulting from a direct purchase 
5. Unamortized balance of properly elected post-retirement benefits pursuant to FASB 106 
6. Financial institutions only – The amount adjusted net worth that exceeds 6% of assets 
7. Total exclusions (sum of lines 2 - 6) 
8. Net worth subject to apportionment (line 1 less line 7) 
9. Alabama Property Factor as of date of organization, incorporation or qualification 
10. Total Alabama net worth (multiply line 8 by line 9) 

#### Deductions (Attach supporting documentation) *(See instructions)*
11. Net investment in bonds and securities issued by the State of Alabama or political subdivision thereof, when issued prior to January 1, 2000. 
12. Net investment in all air, ground or water pollution control devices in Alabama 
13. Reserves for reclamation, storage, disposal, decontamination, or retirement associated with a plant, facility, mine or site in Alabama 
14. Book value of amount invested in qualifying low income housing projects *(see instructions)* 
15. For S corporations and LLEs, 30 percent of federal taxable income apportioned to Alabama, but not less than zero 
16. Total deductions (add lines 11 - 15) 
17. Taxable Alabama net worth (line 10 less line 16) 
18. Tax rate 
19. Gross privilege tax calculated (multiply line 17 by line 18) 
20. Ratio of the days remaining in the calendar year divided by 365 
21. Privilege Tax Due (multiply line 19 by line 20) *(minimum $100, for maximum see instructions)*.