



Alabama Department of Revenue

Alabama Business Privilege Tax Initial Privilege Tax Return

Initial Privilege Tax - This form is to be completed ONLY by taxpayers who incorporated, organized, qualified, registered or started doing business in Alabama in 2025. 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).

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

Enter Month of Tax Year End

Please enter the date the entity incorporated, organized, qualified or registered in Alabama or started doing business in Alabama, whichever occurred first:

2a. Date of Qualification, Incorporation or Organization (mm/dd/yyyy)

2b. No Alabama Factor Presence Nexus (This option is only available for entities formed or organized outside the State of Alabama)

TAXPAYER INFORMATION

3a. LEGAL NAME OF BUSINESS ENTITY, 3b. FEIN, 3c. BPT ACCOUNT NO., 3d. SECRETARY OF STATE ENTITY ID NO., 3e. FEDERAL BUSINESS CODE NO., 3f. MAILING ADDRESS, 3g. CITY, 3h. STATE, 3i. COUNTRY, 3j. ZIP CODE, 4a. CONTACT PERSON CONCERNING THIS FORM, 4b. CONTACT PERSON'S PHONE NO., 4c. TAXPAYER'S E-MAIL ADDRESS

Table with 2 columns: Question (5a-13) and Answer lines (5a-13d)

COMPUTATION OF AMOUNT DUE

Table for computation of amount due with rows 14-17 and a total row 17.

18. Family LLE Election: I authorize a representative of the Department of Revenue to discuss my return and attachments with my preparer. 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.

Please Sign Here: Your Signature, Title, Date, Preparer's signature, Firm's name, E.I. No., ZIP Code, Phone No., Preparer's SSN/PTIN



1a. FEIN 1b. LEGAL NAME OF BUSINESS ENTITY 1c. DATE OF QUALIFICATION, ORGANIZATION OR INCORPORATION (MM/DD/YYYY)

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	1	●	
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	2	●	
3. Gross amount of related party debt exceeding the sum of lines 1 and 2	3	●	
4. For C corporations, all payments for compensation or similar amounts in excess of \$500,000	4	●	
5. For S corporations, all payments for compensation, distributions or similar amounts in excess of \$500,000	5	●	
6. Total net worth (add lines 1 - 5)	6	●	

II. Limited Liability Entities (LLE's)

7. Sum of the partners'/members' capital accounts, but not less than zero	7	●	
8. All compensation, distributions, or similar amounts paid to each partner/member in excess of \$500,000	8	●	
9. Gross amount of related party debt exceeding the amount of line 7	9	●	
10. Total net worth (add lines 7, 8 and 9)	10	●	

III. Disregarded Entities

11. Single Member Name: ● FEIN/SSN: ●

12. If a disregarded entity has as its single member a taxpayer that is subject to the privilege tax, then the disregarded entity does not have a filing requirement.. (Go to Part B, line 20.)

13. Assets minus liabilities for all disregarded entities that have as a single member an entity that is not subject to the privilege tax (attach documentation)	13	●	
14. Gross amount of related party debt exceeding the amount on line 13	14	●	
15. For disregarded entities, all compensation, distributions, or similar amounts paid to each member in excess of \$500,000	15	●	
16. Total net worth (add lines 13, 14, and 15 and go to Part B, line 1.)	16	●	

Part B – Privilege Tax Exclusions and Deductions

Exclusions (Attach supporting documentation) (See instructions)

1. Net worth from Part A – line 6, 10, or 16	1	●	
2. Book value of the investments by the taxpayer in the equity of other taxpayers	2	●	
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	3	●	
4. Unamortized portion of goodwill and core deposit intangibles resulting from a direct purchase	4	●	
5. Unamortized balance of properly elected post-retirement benefits pursuant to FASB 106	5	●	
6. Financial institutions only – The amount adjusted net worth that exceeds 6% of assets	6	●	
7. Total exclusions (sum of lines 2 - 6)	7	●	
8. Net worth subject to apportionment (line 1 less line 7)	8	●	
9. Alabama Apportionment Factor as of date of organization, incorporation or qualification	9	●	%
10. Total Alabama net worth (multiply line 8 by line 9)	10	●	

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	11	●	
12. Net investment in all air, ground or water pollution control devices in Alabama	12	●	
13. Reserves for reclamation, storage, disposal, decontamination, or retirement associated with a plant, facility, mine or site in Alabama	13	●	
14. Book value of amount invested in qualifying low income housing projects (see instructions)	14	●	
15. Total deductions (add lines 11 - 14)	15	●	
16. Taxable Alabama net worth (line 10 less line 15)	16	●	
17. Tax rate	17	●	.00025
18. Gross privilege tax calculated (multiply line 16 by line 17)	18	●	
19. Ratio of the days remaining in the Tax year divided by 365	19	●	%
20. Privilege Tax Due (Multiply line 18 by line 19) If \$100 or less, STOP. You do not have a filing requirement. Do not submit return. For maximum see instructions. Enter also on Form BPT-IN, page 1, line 14, Privilege Tax Due	20	●	

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



Alabama Department of Revenue
Balance Sheet – Net Worth Computation
(FOR DISREGARDED ENTITIES WITH INDIVIDUAL SINGLE MEMBER ONLY)

1a FEIN	1b NAME	1c Determination Period End Date (Balance Sheet Date): (mm/dd/yyyy)
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The Worksheet BPT-NWI is available to be completed to substantiate the net worth computation for Forms BPT-IN and PPT. This worksheet is for Disregarded Entities that have as its single member an individual taxpayer- typically single member LLCs taxed as sole proprietorships. The balance sheet should agree with the Disregarded Entity's books and records. Attach a statement explaining any differences.

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash				
2a Trade Notes and Accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax exempt securities				
6 Other current assets (attach statement)				
7a Loans to members (or persons related to members)				
b Mortgage and real estate loans				
8 Other investments (attach statement)				
9a Buildings and other depreciable assets ●			●	
b Less accumulated depreciation				
10a Depletable assets ●			●	
b Less accumulated depletion				
11 Land (net of any amortization) ●				●
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (attach statement) ●				●
14 Total Assets. ●				●
Liabilities and Capital				
15 Accounts payable				
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach statement)				
18 All nonrecourse loans				
19a Loans from members (or persons related to members) ●				●
b Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach statement)				
21 Total net worth (assets minus liabilities) ●				●
22 Total Liabilities and Net Worth. ●				●

INSTRUCTIONS

Assets

- Line 1. Cash** – Enter the amount of cash and the amount retained in certificates of deposit on this line.
- Line 2. Trade notes and accounts receivable** – Enter the book value of trade notes and the book value of accounts receivable that are payable to the business entity.
- Line 3. Inventories** – Enter the book value of inventories held by the business entity.
- Line 4. U.S. government obligations** – Enter the book value of financial debt instruments backed by the US government such as: treasury bonds, treasury bills, and savings bonds.

- Line 5. Tax-exempt securities** – Enter the book value of: 1.) State and local government obligations for which interest is excludable from gross income, and 2.) Stock in a mutual fund or other regulated investment company that distributed exempt-interest dividends during the tax year of the business entity.
- Line 6. Other current assets (attach statement)** – Enter the book value of current assets (assets that are reasonably expected to be converted into cash in less than 1 year) not entered elsewhere on lines 1 through 5. Amounts included here should not be included elsewhere on lines 1 through 13. Attach a statement itemizing the separate categories and amounts of other current assets included in the total of current assets.