

PA SCHEDULE C-EZ

0802010058

**Short Form Profit
from Business
or Profession**

PA-40 C-EZ (09-08) (FI)

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OFFICIAL USE ONLY

Name of owner as shown on the PA tax return

Social Security Number

Enter your name, Federal NAICS Code from your Federal Schedule C-EZ, and Social Security Number at the top of the schedule. Married taxpayers may each file their own PA Schedule C-EZ. Enter only the name and SSN of the owner of the business you are reporting on the PA Schedule C-EZ. If you and your spouse jointly operate the business, please enter both names.

CAUTION: PA PIT law does not follow the federal allowances for additional depreciation expenses. You may not use either of the bonus depreciation elections enacted for federal purposes in 2002, 2003 and 2008. You may not use the enhanced small business expensing under the Jobs and Growth Tax Relief Reconciliation Act of 2003. The maximum deduction using IRC section 179 is \$25,000. PA PIT law allows cost depletion but does not have any provision to allow percentage depletion.

General Information. PA law requires that taxpayers determine net profit from the operation of a business or profession using accepted accounting principles and practices, but without the deduction of taxes based on income. For additional information, go to the Department's Web site and link to the PA PIT Guide. You may use this schedule to report net profit from your business or professional activity if you meet the requirements described below:

- Your allowable PA business or professional expenses were \$5,000 or less
- This is your only business or profession
- You did not have any employees
- You use the cash method of accounting
- You are reporting the same depreciation expense for PA and federal purposes
- You are not deducting expenses for office in home
- You are not a statutory employee. Use PA Schedule C or PA Schedule UE. See PA PIT Guide Chapter 7 to determine which method should be used to report your income and expenses

Federal Schedule C-EZ. If you used a Federal Schedule C-EZ, you may submit that schedule with your PA-40 or enter the information from your Federal Schedule C-EZ and fill in the oval on Line 4.

Important. You may not use this PA Schedule C-EZ if:

- You realized a loss from your business or profession.
- You report farm income or loss. You must submit a PA Schedule F.
- You deducted federal bonus depreciation or the IRS section 179 expensing enacted in 2003.
- You report business income under federal income tax law that allows you to delay reporting the income over several taxable years, or you do not report the same income for both federal and PA purposes.

Part A. Identification Information - Read the instructions below.

Business Name		Federal NAICS Code	EIN or SSN	
Street Address			PA Sales Tax License (if applicable):	
City	State	ZIP Code	Telephone Number	E-mail address

Briefly describe your principal business activity or profession, including your products and services:

Part B. Determining Your Net Profit - Read the instructions below.

1. Gross receipts from business or professional activity	1.	
2. Allowable business expenses, only if \$5,000 or less	2.	
3. Net profit for PA income tax purposes (Subtract Line 2 from Line 1.)	3.	
4. If you filed a Federal Schedule C-EZ with your Form 1040, fill in this oval	4.	<input type="radio"/>
5. If the business is out of existence, fill in this oval	5.	<input type="radio"/>

Schedule Instructions

Part A.

Business Name. You must enter the business name, even if it is the same as the name you use for filing your PA tax return.

EIN or SSN. Enter the business identification number you use for filing on your federal income tax return. This may be either your Federal Employer Identification Number or your Social Security Number.

PA Sales Tax License Number. Enter your PA Sales Tax License Number if you have one.

Business Address. Enter the complete address where you operate your business. If your business address is the same as the address on your PA tax return, you do not have to enter this information.

Business Telephone Number. If you have a separate telephone number for your business, enter that number.

Business e-mail Address. If you have a separate e-mail address for your business, enter that e-mail address.

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