

NEW BUSINESS

Q: I just started operating a business in the Wilson School District, when do I have to file my first Business Privilege/Mercantile Tax return?

A: Within sixty days of commencing your business, you must file a tax return. Since current year taxes are based on prior year receipts, new businesses must calculate estimated gross receipts by multiplying the actual gross receipts for the first month of business by the number of months remaining in the tax year. *For more information, see Section 1-5 of the Mercantile Tax Code and Section 2-3 of the Business Privilege Tax Code.*

Q: How do I calculate estimated gross receipts for next year when I was in business less than 12 months in the prior year?

A: For businesses that begin less than one full year prior to January 1, estimated gross receipts for the current year are computed by multiplying by 12 the monthly average of the actual gross receipts during the months while in business prior to January 1. *For more information, see Section 1-5 of the Mercantile Tax Code and Section 2-3 of the Business Privilege Tax Code.*