



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 2026. **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. <input checked="" type="checkbox"/> C Corporation	1b. <input checked="" type="checkbox"/> Insurance Company	1c. <input checked="" type="checkbox"/> Financial Institution Group Member
1d. <input checked="" type="checkbox"/> LLE Taxed as Corporation	1e. <input checked="" type="checkbox"/> Real Estate Investment Trust	1f. <input checked="" type="checkbox"/> Business Trust
1g. <input checked="" type="checkbox"/> S Corporation	1h. <input checked="" type="checkbox"/> Limited Liability Entity	1i. <input checked="" type="checkbox"/> Disregarded Entity

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

3a. LEGAL NAME OF BUSINESS ENTITY <input checked="" type="checkbox"/>	3b. FEIN <input checked="" type="checkbox"/> FEIN NOT REQUIRED <input type="checkbox"/> (SEE INSTRUCTIONS)	3c. BPT ACCOUNT NO. (SEE INSTRUCTIONS) <input checked="" type="checkbox"/>
3d. SECRETARY OF STATE ENTITY ID NO. (SEE SOS.ALABAMA.GOV) <input checked="" type="checkbox"/>	3e. FEDERAL BUSINESS CODE NO. (NAICS) (SEE SOS.ALABAMA.GOV) <input checked="" type="checkbox"/>	
3f. MAILING ADDRESS <input checked="" type="checkbox"/>		
3g. CITY <input checked="" type="checkbox"/>	3h. STATE <input checked="" type="checkbox"/>	3i. COUNTRY (IF NOT IN US) <input checked="" type="checkbox"/>
4a. CONTACT PERSON CONCERNING THIS FORM <input checked="" type="checkbox"/>	4b. CONTACT PERSON'S PHONE NO. <input checked="" type="checkbox"/>	
4c. TAXPAYER'S E-MAIL ADDRESS <input checked="" type="checkbox"/>		

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)

5a. County of incorporation or organization for all Alabama entities	5a
5b. State or country of incorporation or organization for all foreign entities	5b
6a. Date of qualification or registration in Alabama for foreign entities	6a
6b. Date of incorporation or organization for all entities	6b
6c. Date started doing business in Alabama	6c
6d. Telephone number of the taxpayer	6d
7a. Name of registered agent in Alabama	7a
7b. FEIN or social security number	7b
7c. Street address	7c
7d. City, state, and zip code	7d
8a. Name of corporate president or primary member/partner	8a
8b. Social security number	8b
8c. Street address	8c
8d. City, state, and zip code	8d
9a. Name of corporate secretary or secondary member/partner	9a
9b. Social security number	9b
9c. Street address	9c
9d. City, state, and zip code	9d
10. Kind of business done in Alabama	10
11. Principal place of business in Alabama	11
City, state, and zip code	
12. Kind of business done generally	12
13. Mailing address of the principal place of business if outside State of Alabama	13
City, state, and zip code	

COMPUTATION OF AMOUNT DUE

14. Privilege tax due (Page 2, Part B, line 20)	14 <input checked="" type="checkbox"/>	Amount Due
15. Penalty due (see instructions)	15 <input checked="" type="checkbox"/>	
16. Interest due (see instructions)	16 <input checked="" type="checkbox"/>	
17. Total privilege tax due (add lines 14, 15 and 16) (Form BPT-V must be submitted if payment is made by check)	17 <input checked="" type="checkbox"/>	

18. Family LLE Election: (Signature required below)

I authorize a representative of the Department of Revenue to discuss my return and attachments with my preparer.

Please Sign Here 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.

Your Signature

Title

Date

Paid Preparer's Use Only	Preparer's signature	Date <input checked="" type="checkbox"/>
	Firm's name (or yours, if self-employed) and address <input checked="" type="checkbox"/>	E.I. No. <input checked="" type="checkbox"/>
	Phone No. <input checked="" type="checkbox"/>	ZIP Code <input checked="" type="checkbox"/>

Preparer's SSN/PTIN

ADOR



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
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).....

1	●	6	●
2	●		
3	●		
4	●		
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 each 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).....

7	●	10	●
8	●		
9	●		

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)
14. Gross amount of related party debt exceeding the amount on line 13.....
15. For disregarded entities, all compensation, distributions, or similar amounts paid to each member in excess of \$500,000.
16. Total net worth (add lines 13, 14, and 15 and go to Part B, line 1)

13	●	16	●
14	●		
15	●		

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	●
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2. Book value of the investments by the taxpayer in the equity of other taxpayers
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)

2	●	7	●
3	●		
4	●		
5	●		
6	●		
7. Total exclusions (sum of lines 2 - 6)			

9. Alabama Apportionment Factor as of date of organization, incorporation or qualification.....

9	●	.	8	●
		%		

10. Total Alabama net worth (multiply line 8 by line 9)

10	●
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Deductions (Attach supporting documentation) (See instructions)

11. Net investment in bonds and securities issued by the State of Alabama or political subdivision

11	●	15	●
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- thereof, when issued prior to January 1, 2000

12	●	
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12. Net investment in all air, ground or water pollution control devices in Alabama.....

13	●	16	●
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- 13. Reserves for reclamation, storage, disposal, decontamination, or retirement associated with a plant, facility, mine or site in Alabama

14	●	
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14. Book value of amount invested in qualifying low income housing projects (see instructions).....

15	●	15	●
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15. **Total deductions** (add lines 11 - 14)

16	●
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16. **Taxable Alabama net worth** (line 10 less line 15)

17	●	.	18	●
		00025		

17. **Tax rate**

18	●	18	●
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18. **Gross privilege tax calculated** (multiply line 16 by line 17)

19	●	.	20	●
		%		

19. **Ratio of the days remaining in the Tax year divided by 365**

20	●
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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.....

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)

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)
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.