



City of Reading Citizens Service Center  
815 Washington Street  
Reading Pennsylvania 19601-3690  
(877) 727-3234

csc@readingpa.gov  
www.readingpa.gov

**ITINERANT BUSINESS PRIVILEGE LICENSE**  
**QUESTIONNAIRE GUIDE**

*Please use this guide as a reference when filling out the Business Privilege License Application. Please note the number correspondence to the License Application.*

1. **Business Name:** Enter the name of the business as it is recognized by the general public.
2. **FEIN:** Enter the business's Federal ID number. If this business is a sole proprietorship and does not have an FEIN, use the proprietor's social security number.
9. **Start Date of Construction within the City of Reading:** Enter the date the construction project will commence in the City of Reading, PA.
10. **Expected Date of Completion of Construction:** Enter projected date of completion of construction project within the City of Reading, PA.
11. **What type of construction work is being done:** Please provide a complete description of the nature of the construction work being performed within the City of Reading, PA.
12. **Site of Construction:** This must be a location within the corporate limits of the City of Reading, PA.
13. **Amount of Contract or Permit:** Enter dollar-value of construction project as specified by contract (*Please be aware that the submitted figure is subject to audit and it must be the gross amount prior to expenses and sub-contractor payments/distributions*).

**15. Organization & Type of business:**

**Organization**

**Proprietorship** – One individual owns all assets and is solely responsible for all liabilities of the business. Owner files Schedule C forms with his/her personal return with the IRS.

**Partnership** – An association of two or more persons to carry on, as co-owners, a business for profit. Partnerships have written agreements between partners called “Articles of Partnerships” and file Federal 1065 Partnership returns with the IRS.

**LLP/LP (Limited Liability Partnership)** - A form of entity where a general partnership registers with the state as LLP or LP. Partners' liability to third parties is limited.

**LLC (Limited Liability Company)** – An unincorporated form of business with no restrictions on ownership, taxed as a partnership, and whose members' liability to third parties is limited.

**S-Corp**– Similar to a C-Corp but the corporation in which, under certain conditions, may elect to have its taxable income taxed to its individual shareholders. Subchapter S corporations file “informational” Federal 1120S returns with the IRS.

**C-Corp (General Corporation)** – A legal entity ordinarily consisting of an association of a number of individual stockholders. Corporations have written charters called “Articles of Incorporation” as well as written bylaws. Corporations file Federal 1120 returns with the IRS.

**Association** – Typically associated with Non-Profit entities.

**Fiduciary** – A legal entity holding assets for another party with legal authority and duty to make decisions regarding financial matters on behalf of the other party.

16. **Accounting Basis:** Cash Basis-Recognizes income and expenses when they are received in and /or paid out. Accrual Basis-Recognizes income and expenses when they are earned or incurred.
17. **Accounting Year:** *Fiscal Year*-Yearly business cycle that is NOT calendar (January-December) year.
18. **No. Of Employees (W-2 Recipients):** Only include the number of individuals employed at the City of Reading job site. If subcontractors are employed and/or your firm issues 1099's, please complete item 19.
19. **Monthly Payroll:** Monthly Payroll figure is only applicable to those individuals assigned to your City of Reading job site.
- 20-23. *If the contractor is a proprietorship, enter the Proprietor's information. Otherwise, please skip questions 20-23 and continue onto question #24.*
24. **If the Contractor Is A Partnership, LLP, LP, Corporation (C or S), or LLC List:** List all General Partners, Corporate Officers, or Members in the space provided.
25. **Name of Previous Owner:** If you purchased or took over an existing business list the previous owners' (and previous business' name, if applicable) name(s).
26. **Previous Business Address:** If the business moved, list its previous address.
27. *The proprietor must sign this form in the Citizens Service Center or have their signature notarized. If the business is a Partnership, all general partners must sign where indicated. If a Corporation, a Corporate Officer must sign where indicated.*

**BUSINESS PRIVILEGE LICENSE REQUIREMENT AND BUSINESS PRIVILEGE TAX CALCULATIONS FOR ITINERANT CONTRACTORS:**

**BUSINESS PRIVILEGE LICENSE**-An annual Business Privilege License payment is required. The fee is \$55.00/year and is valid from January 1 through December 31 of the current year.

**BUSINESS PRIVILEGE TAX**- If you are working within the City of Reading on 15 or more calendar days (including partial days) in a year all work that is performed within the City of Reading is subject to Business Privilege Tax. The tax is based on the Gross Receipts attributable to the work being performed within the City of Reading, PA at the rate of 2-1/4 mills (.00225). A two percent discount is permitted if the tax is promptly paid.

**SHORT-TERM PROJECTS**-Payment of the Business Privilege Tax should be submitted (at the two percent discount) at the time the Codes'/Trades' Permit is obtained.

**LONG-TERM PROJECTS**-Contractors should file and submit payment of Business Privilege Tax as often as the revenues for the particular job are recognized on a **percentage of completion basis**.

**All contractors must register separately with the City of Reading's tax collectors as follows:**

The following local payroll tax is levied by the City of Reading, PA and administered/collected by Berks Earned Income Tax Bureau:

- **Earned Income Tax**-Must be deducted for all individuals employed at the employer's City of Reading location. The 2024 rate is 3.6% for all City of Reading residents; and 1% for most non-city residents. Contact Berks Earned Income Tax or see the tax rates on our website: [www.readingpa.gov](http://www.readingpa.gov) to confirm.

Berks Earned Income Tax Bureau  
1125 Berkshire Blvd, Suite 115  
Wyomissing, PA 19610  
610.372.8439  
[www.beitb@berkseit.com](mailto:www.beitb@berkseit.com)

The following taxes are levied by the City of Reading, PA and administered/collected by Keystone Collections Group:

- **Local Services Tax**-This payroll tax must be deducted at the rate of \$1.00 per week per individual employed at the employer's City of Reading location.
- **Business Privilege Tax**-rates determined by business type, based on the gross receipts for the job/ project. See above for a detailed explanation.

Keystone Collections Group  
PO Box 559  
Irwin, PA 15642  
1 888 328 0561, Spanish 724 978 2866  
<https://keystonecollects.com>

**Application Checklist:**

**NEEDED BEFORE BUSINESS PRIVILEGE LICENSE CAN BE ISSUED:**

- **CODES/TRADES BUILDING PERMIT(S)**

**DID YOU:**

- Complete the Questionnaire?
- Sign the Questionnaire/Have Your Signature Notarized if Questionnaire is Not Signed in the Citizens' Service Center?
- Pay the \$55 License Fee? (Your check should be made payable to the *City of Reading*)
- Mail completed Questionnaire along with your check to:

CITY OF READING CITIZENS SERVICE CENTER  
CITY HALL  
815 WASHINGTON ST.  
READING PA 19601-3690

**The City of Reading wishes you the best with your business!**