



SCHEDULE B Computation of Ohio Taxable Income

Table with 14 rows for SCHEDULE B, including items like Federal taxable income, additions, deductions, and Ohio taxable income.

SCHEDULE C Allocable Income Section 5733.051

Table with 7 rows for SCHEDULE C, including Net rents, Net royalties, Capital gains, Dividends, Net patent fees, Total everywhere, and Total Ohio.

SCHEDULE D Apportionment Formula Section 5733.05(B)(2)

Table with 6 rows for SCHEDULE D, including Property (Owned, Rented, Total), Payroll, Sales, and Ohio apportionment ratio.

NOTE: Any request for deviation from the statutory allocation and apportionment provisions must be in writing and must accompany this franchise tax report.

**SCHEDULE A-1 Nonrefundable Credits**

Ohio Revised  
Code Section

Credits must be claimed in the order listed. Section 5733.98

- |   |          |  |
|---|----------|--|
| 1. Credit for Qualifying Affiliated Groups (due to Related Entity and Related Member Adjustments) ... | 5733.068 |  |
| 2. Credit for Investment in Qualified Subsidiaries (Attach form FT-1120Q) .....                       | 5733.067 |  |
| 3. Credit for Recycling and Litter Prevention Donations .....   | 5733.064 |  |
| 4. Credit for Purchases of New Manufacturing Machinery and Equipment                                  |          |  |
| Claim only one credit. <input type="checkbox"/> Original 20% credit .....                             | 5733.31  |  |
| Check the credit claimed. <input type="checkbox"/> Alternative 20% credit .....                       | 5733.311 |  |
| 5. Second Credit for Purchases of New Manufacturing Machinery and Equipment                           |          |  |
| (the 7.5% - 13.5% credit) .....   | 5733.33  |  |
| 6. Credit for Eligible New Employees in an Enterprise Zone .....                                      | 5709.66  |  |
| 7. Credit for the Eligible Costs Associated with a Voluntary Action (Brownfield Site Clean-Up)        |          |  |
| (Attach credit certificate from Department of Development) .....                                      | 5733.34  |  |
| 8. Credit for Grape Production Property .....   | 5733.32  |  |
| 9. Export Sales Credit (Attach form FT-EXPORT) .....  | 5733.069 |  |
| 10. Edison Center Credit for Research and Development Investors                                       |          |  |
| (Attach credit certificate from Industrial Technology and Enterprise Advisory Board) .....            | 5733.35  |  |
| 11. Enterprise Zone Day Care and Training Credits .....   | 5709.65  |  |
| 12. Total Nonrefundable Credits. Enter here and on Schedule A, line 11. ....                          |          |  |

**SCHEDULE B-2 Foreign Source Income Deduction  
Section 5733.04(l)(2)**

- |  |         |  |
|--|---------|--|
| 1. IRC section 78 and 951 income. ....   |         |  |
| 2. Foreign dividends _____ X 85% = .....   |         |  |
| 3. Foreign royalties _____ X 90% = .....   |         |  |
| 4. (a) Income from technical and other services .....  |         |  |
| (b) Reimbursed expenses for personal services performed for subsidiaries .....                                   |         |  |
| (c) Line 4(a) minus line 4(b) .....  | X 90% = |  |
| 5. Foreign source income deduction. Add lines 1, 2, 3 and 4(c). Enter here and on<br>Schedule B, line 3(a) ..... |         |  |

**SCHEDULE B-3 Related Entity and Related Member Adjustments**

Note: If the taxpayer is a member of a combined franchise tax group, complete Schedule B-3 (Combined) on form FT-1120C.

- |  |  |  |
|--|--|--|
| 1. Related entity gains (losses) from sale of investments. Section 5733.04(l)(12)(a) .....   |  |  |
| 2. Related entity gains (losses) from sale of other intangible property. Section 5733.04(l)(12)(b) .....   |  |  |
| 3. Total related entity gains (losses) (Line 1 plus line 2) .....  |  |  |
| 4. Allocable portion of line 3 .....   |  |  |
| 5. Apportionable related entity gains (losses) (Subtract line 4 from line 3) .....   |  |  |
| 6. Interest expense and intangible expense paid to related members. Sections 5733.04(l)(13) & 5733.042 ....  |  |  |
| 7. Add lines 5 and 6 .....   |  |  |
| 8. Ohio Apportionment Ratio (Schedule D, line 6) .....   |  |  |
| 9. Apportioned income (Multiply line 7 by line 8) .....  |  |  |
| 10. Related entity gains (losses) allocable to Ohio .....  |  |  |
| 11. Add excess related entity loss (if loss deducted in all states exceeds total loss). Section 5733.054(B) ..   |  |  |
| 12. Excess related entity gain (if gain taxed by all states exceeds total gain). Section 5733.054(A) .....   |  |  |
| 13. Related members' net interest income and net intangible income taxed by other states. Section 5733.055<br>(Enter the lesser of (i) such income taxed by other states or (ii) the product of line 6 times line 8) ..... |  |  |
| 14. Related entity and related member adjustment. (Sum of lines 9, 10, 11, 12, & 13. Enter here and on<br>Schedule B, line 11) .....   |  |  |

**SCHEDULE E Balance Sheet**

	Date	Within Ohio		Total Everywhere	
		Beginning of taxable year	End of taxable year	Beginning of taxable year	End of taxable year
<b>ASSETS</b>					
1. Cash .....					
2. (a) Trade notes and accounts receivable ..					
(b) Less allowance for bad debts .....		( )	( )	( )	( )
3. Inventories .....					
4. U.S. government obligations .....					
5. Ohio public obligations .....					
6. Loans to stockholders .....					
7. Other investments .....					
8. (a) Land and land improvements .....					
(b) Less accumulated amortization .....		( )	( )	( )	( )
9. (a) Buildings .....					
(b) Less accumulated depreciation .....		( )	( )	( )	( )
10. (a) Leasehold improvements .....					
(b) Less accumulated amortization .....		( )	( )	( )	( )
11. (a) Machinery and equipment .....					
(b) Less accumulated depreciation .....		( )	( )	( )	( )
12. (a) Exempted facilities .....					
(b) Less accumulated depreciation .....		( )	( )	( )	( )
13. (a) Furniture and fixtures .....					
(b) Less accumulated depreciation .....		( )	( )	( )	( )
14. Construction in progress .....					
15. Other assets:					
(a) Prepaid items .....					
(b) Deferred charges .....					
(c) Patents and copyrights .....					
(d) Goodwill .....					
(e) .....					
(f) .....					
16. Total Assets .....					

**LIABILITIES AND NET WORTH**

	Beginning of taxable year	End of taxable year
17. Notes and accounts payable (current) .....		
18. Accrued expenses .....		
19. Long-term bonds, notes, etc. ....		
20. Deferred taxes .....		
21. Loans from stockholders .....		
22. Other liabilities (describe): .....		
(a) .....		
(b) .....		
(c) .....		
23. Surplus reserves (describe): .....		
(a) .....		
(b) .....		
(c) .....		
24. Preferred stock .....		
25. Common stock .....		
26. Additional paid-in capital .....		
27. Retained earnings .....		
28. Other (designate) .....		
29. Less cost of treasury stock .....	( )	( )
30. Total Liabilities and Net Worth .....		

**SCHEDULE F Exempted Assets (Net Book Value from Schedule E)  
Section 5733.05(A)**

	(1) Within Ohio	(2) Total Everywhere
1. Goodwill (Attach explanation) .....	_____	_____
2. Abandoned property (Attach explanation) .....	_____	_____
3. Appreciation (Attach explanation) .....	_____	_____
4. Facilities upon which Ohio exemption certificates have been issued .....	_____	_____
5. Property in Ohio used exclusively for qualified research .....	_____	_____
6. Subtotal .....	_____	_____
7. Land in Ohio devoted exclusively to agriculture .....	_____	_____
8. Investments in Production Credit Associations .....	_____	_____
9. Total exempted assets (Enter here and on Schedule H, line 5) .....	_____	_____

**SCHEDULE G Property and Business Allocation Formula  
Section 5733.05(A)**

	(1) Within Ohio	+	(2) Total Everywhere	=	(3) Ratio (Carry to 6 decimal places)
1. Property (Schedule E, line 16 end of year less Schedule F, line 6) .....	_____		_____		_____
2. Business .....	_____		_____		_____
3. Total .....					_____
4. Ohio ratio (Line 3 x 1/2. Enter here and on Schedule H, line 7) .....					_____

**SCHEDULE H Computation of Taxable Value**

1. Capital stock less treasury stock (Do not include participation certificates and voting stock of Production Credit Associations) .....	_____
2. Retained earnings and additional paid-in capital .....	_____
3. Deferred taxes and reserves (Except valuation reserves against specific assets) .....	_____
4. Total net worth (Add lines 1 through 3) .....	_____
5. Exempted assets (Schedule F, line 9 column (2)) .....	_____
6. Net value of stock (Line 4 minus line 5. Enter here and on Schedule A, line 4) .....	_____
7. Ohio ratio (Schedule G, line 4) .....	_____
8. Taxable Value (Line 6 x line 7. Enter here and on Schedule A, line 5 and Schedule K) .....	_____

**SCHEDULE I Questionnaire (You Must Complete This Schedule)**

1. State or country where incorporated \_\_\_\_\_ Date of charter or license to do business in Ohio \_\_\_\_\_
2. Address of principal office \_\_\_\_\_
3. Corporation tax records are in the care of (Name) \_\_\_\_\_ Telephone No. \_\_\_\_\_
4. Description of business \_\_\_\_\_
5. Has the taxpayer or the Internal Revenue Service redetermined the corporation's federal taxable income for any prior year(s) which the taxpayer has not reported to Ohio?  Yes  No. If "yes," such changes must be reported to the Ohio Department of Taxation in the form of an amended report. In order to claim a refund of any overpayment indicated on an amended report, you must file an application for refund, Form FT-REF.
6. During the taxable year did this corporation make payments to or receive payments from a "related member" as defined in ORC section 5733.042?  Yes  No.
7. If the corporation is currently an S Corporation but was a C Corporation during any portion of a taxable year ending in 1997, check the box:  . An S Corporation is subject to the 1998 franchise tax based upon the corporation's taxable year ending in 1997 for which the federal S election was not in effect.
8. During 1996 or 1997 was this corporation the survivor of a merger with another corporation which was subject to the Ohio franchise tax?  Yes  No. If "yes," the survivor corporation may be subject to the transferor statute contained in ORC section 5733.053. See the instructions for Schedule B, line 10.
9. During 1996 or 1997 was this corporation the subject of an election pursuant to IRC section 338?  Yes  No.
10. Was this corporation a member of a consolidated U.S. 1120 for 1996 or 1997?  Yes  No. If "yes," how many corporations were included in the federal consolidated group? \_\_\_\_\_ .

**SCHEDULE K TAX COMPUTATION WORKSHEET**

NOTE: A combined franchise tax group is limited to one \$50,000 Ohio taxable income bracket amount which may be prorated in any manner among the taxpayers included in the combined report whose Ohio taxable income (Schedule B, line 14) exceeds zero. The proration applies to the litter tax as well as the franchise tax. Each taxpayer's income which exceeds the prorated bracket amount is taxable at the higher franchise tax and litter tax rates. Each taxpayer included in the combined report must attach to its report a schedule which shows the \$50,000 bracket amount prorated to each member of the combined report.

**Section 1: Tax Computation**

**Net Income Basis**

- (a) First \$50,000 of Ohio taxable income (see note above) ..... \_\_\_\_\_ X .051
- (b) Ohio taxable income over \$50,000 (see note above) ..... \_\_\_\_\_ X .089 =
- (c) Tax on net income basis. Add lines (a) and (b) ..... \_\_\_\_\_  
Enter here and on Schedule A, line 3. \_\_\_\_\_

**Net Worth Basis**

- (d) Taxable value (Schedule H, line 8) ..... \_\_\_\_\_ X .00582 =  
Enter here and on Schedule A, line 6. \_\_\_\_\_

**Tax Due**

- (e) Greater of line (c) or line (d), but not less than \$50 (Enter here and on Schedule A, line 7) ..... \_\_\_\_\_

**Section 2: Tier One Litter Tax** (Complete this section if the amount on line (e) is greater than \$50.00)

**Net Income Basis**

- (f) First \$50,000 of Ohio taxable income (see note above) ..... \_\_\_\_\_ X .0011 = \_\_\_\_\_
- (g) Ohio taxable income over \$50,000 (see note above) ..... \_\_\_\_\_ X .0022 = \_\_\_\_\_
- (h) Add lines (f) and (g) ..... \_\_\_\_\_

**Net Worth Basis**

- (i) Taxable value (Schedule H, line 8) ..... \_\_\_\_\_ X .00014 = \_\_\_\_\_
- (j) Greater of line (h) or line (i) ..... \_\_\_\_\_
- (k) Tier one litter tax (Amount on line (j) or \$5,000, whichever is less. Enter here and on Schedule A, line 8. If the taxpayer is a member of a combined report, see FT-1120C for limitation.) ..... \_\_\_\_\_

**Section 3: Tier Two Litter Tax** (This section applies only to taxpayers that manufacture or sell litter stream products. See Instructions.)

**Net Income Basis**

- (l) Ohio taxable income over \$50,000 (see note above) ..... \_\_\_\_\_ X .0022 = \_\_\_\_\_

**Net Worth Basis**

- (m) Taxable value (Schedule H, line 8) ..... \_\_\_\_\_ X .00014 = \_\_\_\_\_
- (n) Greater of line (l) or line (m) ..... \_\_\_\_\_
- (o) Tier two litter tax (Amount on line (n) or \$5,000, whichever is less. Enter here and on Schedule A, line 9. If the taxpayer is a member of a combined report, see FT-1120C for limitation.) ..... \_\_\_\_\_

NOTE: No Schedule J