

FT-1120

OHIO
CORPORATION FRANCHISE TAX REPORT

1999

FOR DEPARTMENT USE ONLY

Based upon calendar year 1998 or other taxable year beginning _____, 19__ and ending _____, 1998

OHIO FRANCHISE TAX I.D. NO. 	FEDERAL EMPLOYER IDENTIFICATION NO. 	Check box below if: <input type="checkbox"/> This is an amended report (if the amended report reflects a refund, attach Form FT-REF). <input type="checkbox"/> This taxpayer is a member of an Ohio combined report. Attach FT-1120C and FT-OTAS to the Ohio franchise tax report of the "lead" taxpayer shown in column (2) of Form FT-1120C whose Ohio franchise tax identification number is _____. <input type="checkbox"/> This is an income-based exit tax report (see instructions). <input type="checkbox"/> This taxpayer is a qualifying holding co. (attach FT-QHC).
OHIO CHARTER OR LICENSE NO. 	FEDERAL BUSINESS ACTIVITY CODE (SIC) 	
Corporation Name _____		
Address (Check box below if you are not receiving forms at the proper mailing address) <input type="checkbox"/>		
City _____ State _____ Zip Code _____		
<input type="checkbox"/> Check the box if both the below-reported statutory agent and the address are the same as were reported on the 1998 franchise tax report. Statutory Agent		<input type="checkbox"/> Check the box if all the below-reported corporate officers are the same as were reported on the 1998 franchise tax report. Corporate Officers
Name _____	President First Name _____ Middle Initial _____ Last Name _____	
Street Address _____	Secretary First Name _____ Middle Initial _____ Last Name _____	
City _____ State _____ Zip Code _____	Treasurer First Name _____ Middle Initial _____ Last Name _____	

SCHEDULE A NET INCOME BASIS whole dollars only (no cents)

1. Federal taxable income (Federal Form 1120, line 28 or 1120A, line 24)	1	
2. Ohio Schedule B adjustments (from Schedule B, line 3)	2	
3. Base income (line 1 minus line 2)	3	
4. Allocable income everywhere (Schedule C, line 6)	4	
5. Apportionable income (line 3 minus line 4)	5	
6. Ohio apportionment ratio (Schedule D, line 4)	6	
7. Apportioned income (line 5 multiplied by line 6 or from FT-1120C, Schedule B (combined), line 7)	7	
8. Allocable income within Ohio (Schedule C, line 7)	8	
9. Income (loss) from transferor corporation. ORC section 5733.053	9	
10. Related entity and related member adjustments (Schedule B-3 or Schedule B-3 (combined))	10	
11. Ohio taxable income before net operating loss deduction (add lines 7, 8, 9 and 10)	11	
12. Ohio net operating loss deduction (attach schedule showing computation). ORC section 5733.04(I)(1)	12	
13. Ohio taxable income (line 11 minus line 12)	13	
14. Tax on net income basis (Schedule K, line(c))	14	

SCHEDULE A NET WORTH BASIS whole dollars only (no cents)

15. Net value of stock (Schedule F, line 5)	15	
16. Tax on net worth basis (Schedule K, line (d))	16	

SCHEDULE A COMPUTATION OF TOTAL TAX whole dollars only (no cents)

17. Tax due (greater of lines 14 or 16, but not less than the minimum fee of \$50)	17	
18. Tier one and tier two litter tax (Schedule K, line (n))	18	
19. Total nonrefundable credits (from Schedule A-1, line 15)	19	
20. Amount due after nonrefundable credits (total of lines 17 and 18 minus line 19, but not less than \$50)	20	
21. Overpayment carryforward from 1998	21	
22. Estimated payments made in 1999: E _____, ER _____, EX _____	22	
23. New jobs refundable credit (attach Department of Development certificate of verification)	23	
24. Total payments and refundable credits (add lines 21, 22 and 23)	24	
25. Tax due (line 20 minus line 24)	25	
26. Interest _____, Penalty _____, Total interest and penalty	26	
27. Balance due (make payable to Treasurer of State of Ohio). Check box if payment made by EFT. <input type="checkbox"/>	27	
28. Overpayment	28	
29. Amount of line 28 to be credited to year 2000 estimated tax	29	
30. Amount of line 28 to be refunded	30	

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JOURNAL NO.	DATE RECEIVED	CHECK AMOUNT	PROCESSING CODE
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SCHEDULE B ADJUSTMENTS TO FEDERAL TAXABLE INCOME -- SECTION 5733.04(l)

1. Additions:

(a) Valuation limitation on losses from capital or 1231 assets (Form FT-1120VL) **1a** _____

(b) Losses from sale of Ohio public obligations **1b** _____

(c) Amount claimed as a credit for taxes paid by a qualifying pass-through entity **1c** _____

(d) Net loss from an "exempted investment" in a public utility **1d** _____

(e) Total additions (Add lines 1a, 1b, 1c and 1d) **1e** _____

2. Deductions:

(a) Net income from foreign sources (Schedule B-2, line 5) **2a** _____

(b) Valuation limitation on gains from capital or 1231 assets (Form FT-1120VL) **2b** _____

(c) Dividends received (IRC section 243 and ORC 5733.04(l)(7) & (l)(8)) _____

(d) Adjustment for targeted jobs tax credit or work opportunity tax credit _____

(e) Net interest income from exempt U.S. obligations **2e** _____

(f) Interest on Ohio public and purchase obligations and gain from the sale of Ohio public obligations **2f** _____

(g) Contributions to an individual development account program **2g** _____

(h) Net income from an "exempted investment" in a public utility **2h** _____

(i) Total deductions (Add lines 2a through 2h) **2i** _____

3. Net adjustments (Line 1e minus line 2i. If negative, put in parenthesis. Enter on Schedule A, line 2.) . . . **3** _____

SCHEDULE C ALLOCABLE INCOME -- SECTION 5733.051

	Within Ohio	Total Everywhere
1. Net rents	1 _____	1 _____
2. Net royalties	2 _____	2 _____
3. Capital gains and losses and depreciation recapture	3 _____	3 _____
4. Dividends (not otherwise deducted and not apportionable)	4 _____	_____
5. Net patent and copyright royalties and technical assistance fees	5 _____	_____
6. Total everywhere (Enter on Schedule A, line 4)	6 _____	6 _____
7. Total Ohio (Enter on Schedule A, line 8)	7 _____	7 _____

SCHEDULE D APPORTIONMENT -- SECTION 5733.05(B)(2)

	Within Ohio	÷	Total Everywhere	=	Ratio (Carry to 6 decimal places)	Weight	Weighted Factor
1. Property							
(a) Owned (average cost)	_____		_____			x .20	1c _____
(b) Rented (annual rental x 8)	_____		_____			x .20	2 _____
(c) Total property	_____		_____			x .60	3 _____
2. Payroll	_____		_____				
3. Sales	_____		_____				
4. Total apportionment ratio (Add weighted factor column lines 1c, 2 and 3. Enter on Schedule A, line 6 and Schedule F, line 6)							4 _____

Note: Any request for deviation from the statutory allocation and apportionment provisions must be in writing. If the denominator of any factor is zero, the weight given to the other factors must be proportionately increased so that the total weight given to the combined number of factors used is 100%.

SCHEDULE E BALANCE SHEET

Attach to the franchise tax report a balance sheet which reflects the books of the taxpayer on a separate company basis as of the beginning and the end of the taxable year.

SCHEDULE F COMPUTATION OF TAXABLE VALUE -- SECTION 5733.05(C)

1. Net worth (assets minus liabilities)		1	_____
2. Qualifying amount (if the taxpayer is a related member to a qualifying holding company) ORC 5733.05(C)(2)		2	_____
3. Adjusted net worth (Add lines 1 and 2)		3	_____
4. Exempted assets (net book value):			
(a) Air, water and noise pollution control facilities for which the taxpayer holds Ohio exemption certificates	4a		_____
(b) Qualifying improvements to land or tangible personal property in an enterprise zone for which the taxpayer holds tax incentive qualification certificates	4b		_____
(c) Energy conversion facilities for which the taxpayer holds conversion certificates under ORC 5709.31	4c		_____
(d) Civil defense shelters	4d		_____
(e) Total exempted assets		4e	_____
5. Net value of stock (line 3 minus line 4e) (Enter on Schedule A, line 15)		5	_____
6. Ohio apportionment ratio (Schedule D, line 4)		6	_____
7. Taxable value (Multiply line 5 by line 6. Enter on Schedule K, lines (d), (i) and (l))		7	_____

SCHEDULE G QUESTIONNAIRE (You Must Complete This Schedule)

- State or country where incorporated _____
- Corporation tax records are in care of (name) _____ Telephone No. () _____
- Is this corporation a member of a U.S. consolidated 1120? Yes No. If "yes", enter the name and FEIN of the common parent (name) _____ (FEIN) _____ and the number of corporations that are included in the consolidated group _____.
- What was the last year the Internal Revenue Service redetermined the corporation's federal taxable income? _____ Were the adjustments reported to Ohio? Yes No
- 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
- If the corporation is currently an S corporation but was a C corporation during any portion of a taxable year ending in 1998, check the box: . An S corporation is subject to the 1999 franchise tax based upon the corporation's taxable year ending in 1998 for which the federal election was not in effect.
- During 1997 or 1998 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 instructions for Schedule A, line 9.)

DECLARATION / SIGNATURES (This declaration must be signed by an officer or managing agent of the corporation)

" I declare under penalties of perjury that this report (including any accompanying schedule or statement) has been examined by me and to the best of my knowledge and belief is a true, correct and complete return and report and that this corporation has not, during the preceding year, except as permitted by sections 3517.082, 3599.03 and 3599.031 of the Ohio Revised Code, directly or indirectly paid, used or offered, consented, or agreed to pay or use any of its money or property for or in aid of or opposition to a political party, a candidate for election or nomination to public office, or a political action committee, legislation campaign fund, or organization that supports or opposes any such candidate or in any manner used any of its money for any partisan political purpose whatever, or for reimbursement or indemnification of any person for money or property so used."

DATE SIGNATURE OF OFFICER OR MANAGING AGENT TITLE

DATE SIGNATURE OF PREPARER OTHER THAN TAXPAYER BASED ON ALL INFORMATION OF WHICH PREPARER HAS KNOWLEDGE ADDRESS

SCHEDULE K TAX COMPUTATION WORKSHEET
Section 1: Franchise Tax Computation
Net Income Basis

Note: For report years 1999 and thereafter all related Ohio taxpayer corporations that as of January 1 of the report year meet the ownership or control requirements to file as members of a combined report must share one \$0 to \$50,000 net income basis tax bracket to which the 5.1% rate applies. Such related taxpayers must share one \$0 to \$50,000 tax bracket regardless of whether those related taxpayer corporations actually file a combined report (see Ohio Revised Code section 5733.06(F)). Each taxpayer's Ohio taxable income that exceeds the prorated amount is taxable at the higher franchise tax and litter tax rates. Related taxpayers must prorate the \$0 to \$50,000 bracket on Form FT-OTAS, Ohio Taxpayer Affiliation Schedule. The proration, however made, applies to both the franchise tax and the litter tax.

- (a) First \$50,000 of Ohio taxable income (see note above) X .051 = _____
- (b) Ohio taxable income over \$50,000 (see note above) X .085 = _____
- (c) Tax on net income basis. Add lines (a) and (b). (Enter on Schedule A, line 14) _____

Net Worth Basis (The tax on net worth basis may not exceed \$150,000.)

- (d) Taxable value (Schedule F, line 7) X .004 = _____
(Enter product on Schedule A, line 16)

TAX DUE

- (e) Greater of lines (c) or (d), but not less than \$50 (Enter on Schedule A, line 17). _____

Section 2: Litter Tax Computation
Tier One Litter Tax (Complete tier one 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 F, line 7) X .00014 = _____

Tier One Litter Tax

- (j) Greater of lines (h) or (i) but not more than \$5,000. If the taxpayer is a member of a combined report, see FT-1120C for limitation _____

Tier Two Litter Tax (Complete tier two only if the taxpayer manufactures or sells litter stream products. See instructions.)
Net Income Basis

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

Net Worth Basis

- (l) Taxable value (Schedule F, line 7) X .00014 = _____

Tier Two Litter Tax

- (m) Greater of lines (k) or (l) but not more than \$5,000. If the taxpayer is a member of a combined report, see FT-1120C for limitation _____

- (n) **Total Litter Tax.** (Add lines (j) and (m). Enter on Schedule A, line 18)

SCHEDULE A-1 NONREFUNDABLE CREDITS

Credits must be claimed in the order listed. Section 5733.98

Ohio Revised Code Section

- 1. Credit for taxes paid by a qualifying pass-through entity 5733.0611
- 2. Credit for qualifying affiliated groups (due to related entity and related member adjustments) . . . 5733.068
- 3. Credit for recycling and litter prevention donations 5733.064
- 4. Credit for employers that enter into agreements with child daycare centers 5733.36
- 5. Credit for employers that reimburse employees' child daycare expenses 5733.38
- 6. Credit for purchases of new manufacturing machinery and equipment
 Claim only one 20% credit. Original 20% credit 5733.31
 Check credit claimed. Alternative 20% credit 5733.311
- 7. Second credit for purchases of new manufacturing machinery & equip. (7.5%-13.5% credit) . . . 5733.33
- 8. Credit for eligible new employees in an enterprise zone 5709.66
- 9. Credit for eligible costs associated with voluntary action (brownfield site clean-up)
 (Attach certificate from Department of Development) 5733.34
- 10. Credit for employers that establish an on-site child daycare center 5733.37
- 11. Credit for grape production property 5733.32
- 12. Export sales credit (Attach Form FT-Export) 5733.069
- 13. Edison center credit for research and development investors
 (Attach credit certificate from Technology and Enterprise Advisory Board). 5733.35
- 14. Enterprise zone daycare and training credits. 5709.65
- 15. Total nonrefundable credits (Enter on Schedule A, line 19).

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SCHEDULE B-2 FOREIGN SOURCE INCOME DEDUCTION – SECTION 5733.04(I)(2)

- 1. IRC sections 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 4a minus line 4b. x 90% =
- 5. Foreign source income deduction (Add lines 1, 2, 3, and 4c. Enter on Schedule B, line 2a).

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SCHEDULE B-3 RELATED ENTITY AND RELATED MEMBER ADJUSTMENTS

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

- 1. Related entity gains (losses) from sale of investments in stock or debt. Section 5733.04 (I)(12)(a)
- 2. Related entity gains (losses) from sale of other intangible property. Section 5733.04 (I)(12)(b)
- 3. Total related entity gains (losses) (Add lines 1 and 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(I)(13) & 5733.042.
- 7. Add lines 5 and 6
- 8. Ohio apportionment ratio (Schedule D, line 4).
- 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
 (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. (Add lines 9, 10, 11, 12 & 13. Enter on Schedule A, line 10).

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