

Mail with remittance to: Treasurer of State of Ohio, P.O. Box 27, Columbus, Ohio 43266-0027

FT-1120 OHIO Corporation Franchise Tax Report Tax Year 2000

FOR DEPARTMENT USE ONLY

Based upon calendar year 1999 or other taxable year beginning _____ and ending _____, 1999.

OHIO FRANCHISE TAX I.D. No., FEDERAL EMPLOYER IDENTIFICATION No., OHIO CHARTER OR LICENSE No., North American Industry Classification System (NAICS Code), Name, Address, City, State, Zip Code. Check box below if: This is an amended report... This taxpayer is a member of an Ohio combined report... This is an income-based exit tax report... This taxpayer is a qualifying holding company...

Statutory Agent: Check the box if both the below-reported statutory agent and the address are the same as were reported on the 1999 franchise tax report. Corporate Officers: Check the box if all the below-reported corporate officers are the same as were reported on the 1999 franchise tax report. President, Secretary, Treasurer.

Schedule A — Net Income Basis

whole dollars only (no cents)

Table with 14 rows for Net Income Basis. Columns: Description, Amount. Rows include Federal taxable income, Ohio Schedule B adjustments, Base income, Allocable income everywhere, Apportionable income, Ohio apportionment ratio, Apportioned income, Allocable income within Ohio, Income (loss) from transferor corporation, Related entity adjustments, Ohio taxable income before net operating loss deduction, Ohio net operating loss deduction, Ohio taxable income, Tax on net income basis.

Schedule A — Net Worth Basis

whole dollars only (no cents)

Table with 2 rows for Net Worth Basis. Columns: Description, Amount. Rows include Net value of stock, Tax on net worth basis.

Schedule A — Computation of Total Tax

whole dollars only (no cents)

Table with 13 rows for Computation of Total Tax. Columns: Description, Amount. Rows include Tax due, Tier one and tier two litter tax, Total nonrefundable credits, Amount due after nonrefundable credits, Overpayment carryforward, Estimated payments made in 2000, Refundable credit, Total payments and refundable credits, Tax due (line 20 minus line 24), Interest, Penalty, Total interest and penalty, Balance due, Overpayment, Amount of line 28 to be credited to year 2001 estimated tax, Amount of line 28 to be refunded.

Do Not Write Below

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Table with 4 columns: JOURNAL No., DATE RECEIVED, CHECK AMOUNT, PROCESSING CODE.

Schedule B — Adjustments to Federal Taxable Income — Section 5733.04(I)

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(I)(7) and (I)(8))	2c	
(d) Adjustment for targeted jobs tax credit or work opportunity tax credit	2d	
(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	4
5. Net patent and copyright royalties and technical assistance fees	5	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	X	Weight	Weighted Factor
1. Property								
(a) Owned (average cost)								(carry to 6 decimal places)
(b) Rented (Annual rental x 8)								
(c) Total property		x .20	1c
2. Payroll		x .20	2
3. Sales		x .60	3
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 this 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) Land in Ohio devoted exclusively to agriculture	4e	
(f) Total exempted assets	4f	
5. Net value of stock (line 3 minus line 4f) (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 (j))	7	

Schedule G — Questionnaire (You Must Complete this Schedule)

1. State or country where incorporated _____
2. Corporation tax records are in care of (Name) _____ Telephone No. () _____
3. Is this corporation a member of a consolidated U.S. 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 U.S. group _____.
4. What was the last year the Internal Revenue Service redetermined the corporation's federal taxable income? _____ Were the adjustments reported to Ohio? Yes No
5. 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
6. If the corporation is currently an S corporation but was a C corporation during any portion of a taxable year ending in 1999, check the box: . An S corporation is subject to the franchise tax for tax year 2000 based upon the corporation's taxable year ending in 1999 for which the federal S election was not in effect.
7. During 1998 or 1999, 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 (An officer or managing agent of the corporation must sign this declaration.)

<p>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 section 3517.082, 3599.03 and 3599.031 of the Ohio Revised Code, directly or indirectly paid, used or offered, consented, or agreed to</p>	<p>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.</p>
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▶	Date	Signature of officer or managing agent	Title
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▶	Date	Signature of preparer other than taxpayer based on all information of which preparer has knowledge	Title
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Schedule K — Tax Computation Worksheet

Section 1: Franchise Tax Computation

Net Income Basis

<p>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 re-</p>	<p>port (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 \$50,00 bracket on Form FT-OTAS, Ohio Taxpayer Affiliation Schedule. The proration, however made, applies to both the franchise tax and the litter tax.</p>
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- (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 is not to 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.)

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

Schedule B-2 — Foreign Source Income Deduction – Section 5733.04(I)(2)

1. IRC section 78 and 951 income			1.
2. Foreign dividends _____ x 85% =			2.
3. Foreign royalties _____ x 90% =			3.
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% =	4c.
5. Foreign source income deduction (add lines 1, 2, 3, and 4c. Enter on Schedule B, line 2a)			5.

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)			1.
2. Related entity gains (losses) from sale of other intangible property. Section 5733.04(I)(12)(b)			2.
3. Total related entity gains (losses) (add lines 1 and 2)			3.
4. Allocable portion of line 3			4.
5. Apportionable related entity gains (losses) (subtract line 4 from line 3)			5.
6. Interest expense & intangible expense paid to related members. Sec. 5733.04(I)(13) & 5733.042			6.
7. Add lines 5 and 6			7.
8. Ohio apportionment ratio (Schedule D, line 4)			8.
9. Apportioned income (multiply line 7 by line 8)			9.
10. Related entity gains (losses) allocable to Ohio			10.
11. Add excess related entity loss (if loss deducted in all states exceeds total loss). Section 5733.054(B)			11.
12. Excess related entity gain (if gain taxed by all states exceeds total gain). Section 5733.054(A)			12. ()
13. Related members' net interest income & net intangible income taxed by other states. Sec. 5733.055			
(Enter the lesser of (i) such income taxed by other states or (ii) the product of line 6 times line 8)			13. ()
14. Related entity & related member adjustment. (Add lines 9, 10, 11, 12 & 13. Enter on Sched. A, line 10)			14.