

FT-1120

OHIO
Corporation Franchise Tax Report

Tax Year
2003

FOR DEPARTMENT USE ONLY

Based upon calendar year 2002 or other taxable year beginning _____, _____ and ending _____, 2002.

Ohio franchise tax I.D. number <div style="border: 1px solid black; padding: 2px;"> 0 </div> <p>This field MUST be completed.</p>	Federal employer I.D. number <div style="border: 1px solid black; padding: 2px; height: 20px;"> </div>	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 company (attach FT-QHC). <input type="checkbox"/> This taxpayer is an O.R.C. section 5733.06(C) high-tech, start-up company (that is, an "eligible corporation"). <input type="checkbox"/> This taxpayer is an electric company or a combined (electric) company. See O.R.C. 5733.04(P). Attach supplemental schedules B, C and A-1.
Ohio charter or license number <div style="border: 1px solid black; padding: 2px; height: 20px;"> </div>	North American Industry Classification System (NAICS code) <div style="border: 1px solid black; padding: 2px; height: 20px;"> </div>	
Corporation name <div style="border: 1px solid black; padding: 2px; height: 20px;"> </div>		
Address (check box if you are not receiving forms at the proper mailing address) <input type="checkbox"/>		
City	State	ZIP code
<div style="border: 1px solid black; padding: 2px; display: inline-block;"> Statutory Agent </div>		<div style="border: 1px solid black; padding: 2px; display: inline-block;"> Corporate Officers </div>
<input type="checkbox"/> Check the box if both the below-reported statutory agent and address are the same as were reported on the 2002 franchise tax report.		<input type="checkbox"/> Check the box if all the below-reported corporate officers are the same as were reported on the 2002 franchise tax report.
Name		President (first name, middle initial, last name)
Address		Secretary
City	State	ZIP code
		Treasurer

Schedule A — Net Income Basis

Whole Dollars Only

1. Federal taxable income (from I.R.S. form 1120, line 28 or 1120A, line 24). Consolidated federal filers, see instructions	1.		00
2. Ohio Schedule B adjustments (from Schedule B, line 3) Combined franchise filers, skip to line 6	2.		00
3. Base income (line 1 plus line 2)	3.		00
4. Allocable income everywhere (from Schedule C, line 7)	4.		00
5. Apportionable income (line 3 minus line 4)	5.		00
6. Ohio separate company apportionment ratio from Schedule D, line 4 (even if a member of a combined report) ..	6.		
7. Apportioned income (line 5 multiplied by line 6 or from FT-1120C, Schedule B (combined), line 7)	7.		00
8. Allocable income within Ohio (from Schedule C, line 8)	8.		00
9. Income (loss) from transferor corporation. O.R.C. section 5733.053	9.		00
10. Related entity and related member adjustments (from Schedule B-3 or Schedule B-3 (combined))	10.		00
11. Ohio taxable income before net operating loss deduction (add lines 7, 8, 9 and 10)	11.		00
12. Ohio net operating loss deduction (attach schedule showing computation). O.R.C. section 5733.04(I)(1)	12.		00
13. Ohio taxable income (line 11 minus line 12)	13.		00
14. Tax on net income basis (from Schedule K, line (c))	14.		00

Schedule A — Net Worth Basis

15. Net value of stock (from Schedule F, line 5)	15.		00
16. Tax on net worth basis (from Schedule K, line (d)) – not to exceed \$150,000	16.		00

Schedule A — Computation of Total Tax

17. Tax due (greater of lines 14 or 16, but not less than the minimum fee of \$50)	17.		00
18. Tier one and tier two litter tax (from Schedule K, line (n))	18.		00
19. Total nonrefundable credits (from Schedule A-1, line 18)	19.		00
20. Amount due after nonrefundable credits (total of lines 17 and 18 minus line 19, but not less than \$50)	20.		00
21. Overpayment carryforward from 2002	21.		00
22. Estimated payments made in 2003: E _____, ER _____, EX _____	22.		00
23. Refundable credits	23.		00
24. Total payments and refundable credits (add lines 21, 22 and 23)	24.		00
25. Tax due (line 20 minus line 24)	25.		00
26. Interest _____, Penalty _____ . Total interest and penalty	26.		00
27. Balance due (make payable to Treasurer of State of Ohio). Check box if payment made by EFT <input type="checkbox"/> ..	27.		00
28. Overpayment	28.		00
29. Amount of line 28 to be credited to year 2004 estimated tax (if an amended report, enter -0-)	29.		00
30. Amount of line 28 to be refunded (if an amended report, attach form FT-REF)	30.		00

Do Not Write Below This Line
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DATE RECEIVED

CHECK AMOUNT

PROCESSING CODE

Schedule B – Adjustments to Federal Taxable Income – O.R.C. 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) Depreciation expense adjustment for I.R.C. section 168(k) bonus depreciation	1e.	
(f) Total additions (add lines 1a through 1e).....	1f.	

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 (I.R.C. section 243 and O.R.C. 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) Depreciation expense adjustment for I.R.C. section 168(k) bonus depreciation	2i.	
(j) Total deductions (add lines 2a through 2i).....	2j.	

3. Net adjustments:

Line 1f minus line 2j. If negative, put in parentheses. Enter here and on Schedule A, line 2..... 3.

Schedule C – Allocable Income – O.R.C. 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. State lottery income	6.	6.
7. Total everywhere (If negative, put in parentheses. Enter here and on Sch. A, line 4)	7.	7.
8. Total Ohio (If negative, put in parentheses. Enter here and on Schedule A, line 8)	8.	8.

Schedule D – Apportionment – O.R.C. Section 5733.05(B)(2)

Compute schedule D on a separate company basis even if the taxpayer is a member of a combined report.

	(a) Within Ohio	(b) Total Everywhere	(c) Ratio (carry to six decimal places)	Weight		(d) Weighted Factor
1. Property						
(a) Owned (average cost).....	_____	_____				
(b) Rented (Annual rental x 8)	_____	_____				
(c) Total property	_____	_____	÷	=	.	1c. .
2. Payroll	_____	_____	÷	=	.	2. .
3. Sales	_____	_____	÷	=	.	3. .
4. Total apportionment ratio (Add weighted factor column lines 1c, 2 and 3. Enter here and on Schedule F, line 6 and Schedule A, line 6 even if the taxpayer is a member of a combined report.)						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 (e.g., I.R.S. form 1120, Schedule L) that 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 – O.R.C. 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) O.R.C. 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) Energy conversion facilities for which the taxpayer holds conversion certificates under O.R.C. 5709.31	4b.	
(c) Civil defense shelters	4c.	
(d) Land in Ohio devoted exclusively to agriculture	4d.	
(e) Total exempted assets	4e.	
5. Net value of stock (line 3 minus line 4e) (Enter here and on Schedule A, line 15).....	5.	
6. Ohio apportionment ratio (from Schedule D, line 4 – see note at right)	6.	
7. Taxable value (Multiply line 5 by line 6. Enter here and on Schedule K, lines (d), (i) and (l))	7.	

Note: Taxable value is determined on a separate company basis even if the taxpayer is a member of a combined report. Multiply the taxpayer's separate company net value of stock by the taxpayer's separate company apportionment ratio (schedule D, line 4).

Schedule G — Questionnaire (You Must Complete this Schedule)

1. State or country where incorporated _____
2. Corporation tax records are in care of (name) _____
Telephone number _____ E-mail address _____
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. Is the corporation currently under audit by the I.R.S.? Yes No If yes, what years? _____
Does the corporation currently have I.R.S. audits under appeal? Yes No If yes, what years? _____
What was the last year the I.R.S. 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 O.R.C. 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 2002, check the box: . An S corporation is subject to the franchise tax for tax year 2003 based upon the corporation's taxable year ending in 2002 for which the federal S election was not in effect.
7. During 2001 or 2002 was this corporation the survivor of a merger with another corporation that was subject to the Ohio franchise tax? Yes No

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 pay or use any of its money or property for or in aid</p>	<p>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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Name	Franchise tax I.D. number	2003
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Schedule K – Tax Computation Worksheet

There are no franchise report schedules H, I, or J.

Section 1: Franchise Tax Computation

Net Income Basis

Note: 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 =	a.
(b) Ohio taxable income greater than \$50,000 (see note above)	x .085 =	b.
(c) Tax on net income basis. Add lines (a) and (b) (enter here and on Schedule A, line 14)		c.

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

(d) Taxable value (from Schedule F, line 7) (enter product here and on Schedule A, line 16)	x .004 =	d.
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Tax Due

(e) Greater of lines (c) or (d), but not less than \$50 (enter here and on Schedule A, line 17)	e.
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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 =	f.
(g) Ohio taxable income greater than \$50,000 (see note above)	x .0022 =	g.
(h) Add lines (f) and (g)		h.

Net Worth Basis

(i) Taxable value (from Schedule F, line 7)	x .00014 =	i.
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Tier One Litter Tax

(j) Greater of lines (h) or (i) but not greater than \$5,000. If the taxpayer is a member of a combined report, see FT-1120C for limitation	j.
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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 greater than \$50,000 (see note above)	x .0022 =	k.
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Net Worth Basis

(l) Taxable value (from Schedule F, line 7)	x .00014 =	l.
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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	m.
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(n) Total Litter Tax – Add lines (j) and (m). Enter here and on Schedule A, line 18	n.
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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 centers	5733.36		4.
5. Credit for employers that reimburse employees' child daycare expenses	5733.38		5.
6. Credit for maintaining railroad crossing warning devices	5733.43		6.
7. Credit for purchases of lights and reflectors for tractors	5733.44		7.
8. Job retention credit	5733.0610(B)		8.
9. Second credit for purchases of new manufacturing machinery and equipment (7.5%-13.5% credit)	5733.33		9.
10. Credit for eligible new employees in an enterprise zone	5709.66		10.
11. Credit for eligible costs associated with voluntary action (brownfield site clean-up) (Attach certificate from Department of Development.)	5733.34		11.
12. Credit for employers that establish an onsite child daycare center	5733.37		12.
13. Ethanol plant investment credit	5733.46		13.
14. Credit for grape production property	5733.32		14.
15. Export sales credit (carryforward amount only)	5733.069		15.
16. Edison Center credit for research and development investors (Attach credit certificate from Technology and Enterprise Advisory Board)	5733.35		16.
17. Enterprise zone daycare and training credits	5709.65		17.
18. Total nonrefundable credits (enter here and on Schedule A, line 19)			18.

Schedule B-2 – Foreign Source Income Deduction – O.R.C. Section 5733.04(I)(2)

1. I.R.C. section 78 and 951 income		1.
2. Foreign dividends x 100% =		2.
3. Foreign royalties x 90% =		3.
4. (a) Income from technical and other services	_____	4c.
(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 here and 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. O.R.C. section 5733.04(I)(12)(a) ...		1.
2. Related entity gains (losses) from sale of other intangible property. O.R.C. 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 and intangible expense paid to related members. O.R.C. section. 5733.04(I)(13) and 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). O.R.C. section 5733.054(B)		11.
12. Excess related entity gain (if gain taxed by all states exceeds total gain). O.R.C. section 5733.054(A)		12. ()
13. Related members' net interest income and net intangible income taxed by other states. O.R.C. section 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 and related member adjustment. (Add lines 9, 10, 11, 12 & 13. Enter here and on Sched. A, line 10)		14.

Ohio Taxpayers Affiliation Schedule

Special Notes

1. Ohio Revised Code section 5733.06(F) requires that all related Ohio taxpayer corporations meeting the ownership or control requirements for an Ohio combined report (set out in O.R.C. section 5733.052(A)) share the first \$50,000 taxable income bracket to which the lower 5.1% tax rates applies. Related Ohio taxpayer corporations must share the first \$50,000 bracket regardless of whether the Ohio taxpayers actually file as members of an Ohio combined franchise tax report. The purpose of this affiliation schedule is to identify all related Ohio taxpayers and to prorate in column (g) the first \$50,000 of Ohio taxable income. A taxpayer's pro-rata amount may not be less than zero.
2. In columns (b), (c), and (d), list the name, federal employer I.D. number (FEIN) and Ohio franchise tax I.D. number of all related Ohio taxpayer corporations as of January 1 of the report year, regardless of whether the related Ohio taxpayers file an Ohio combined franchise tax report.
3. For each corporation listed in column (b) that is a member of a combined franchise tax report (form FT-1120C), enter in column (e) the number shown in column (a) of this schedule corresponding to the corporation's lead corporation (the corporation's lead corporation appears in column 2 of the combined report that includes the corporation). Attach this affiliation schedule, along with a copy of the taxpayer group's I.R.S. form 851, only to the Ohio FT-1120 of the lead corporation.
4. For each corporation listed in column (b) that is not a member of an Ohio combined franchise tax report, do not make an entry into column (e); however, attach this affiliation schedule, along with a copy of the taxpayer group's I.R.S. form 851, to each taxpayer's Ohio FT-1120.
5. In column (f), identify all qualifying holding companies by placing a checkmark in the box.

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Corporation Number	Corporation's Name	Federal Employer I.D. Number	Ohio Franchise Tax I.D. Number	If a member of an Ohio combined group, indicate here the corp. no. from column (a) of the Ohio parent or lead corporation	Check box if a qualifying holding company	Proration of first \$50,000 of Ohio taxable income (not less than -0-)
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						
13.						
14.						
15.						
16.						
17.						
18.						
19.						
20.						

Attach additional sheets if necessary.