

Supplemental Franchise Tax Schedules for Electric Companies

Supplemental Schedule B – Adjustments to Federal Taxable Income – Ohio Revised Code Section (R.C.) 5733.04(I)

1. Additions:

(a) Valuation limitation on losses from capital or 1231 assets (Ohio form FT 1120VL).....	1a.	- 0 -
(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) Book-tax differential (if book-tax differential is apportionable and negative).....	1e.	
(f) Depreciation expense adjustment from Schedule B-4, line 1 and miscellaneous federal tax adjustments.....	1f.	
(g) Distributive or proportionate share of pass-through entity expenses paid to, losses incurred from transactions with, and excess inventory cost paid to related members.....	1g.	
(h) Deductible temporary differences in connection with the commercial activity tax credit for corporation franchise tax net operating losses. See R.C. section 5751.53(H)(2)	1h.	
(i) Total additions (add lines 1a through 1h).....	1i.	

2. Deductions:

(a) Net income from foreign sources (Schedule B-2, line 5)	2a.	
(b) Valuation limitation on gains from capital or 1231 assets (Ohio form FT 1120VL).....	2b.	- 0 -
(c) Dividends received (Internal Revenue Code section 243 and 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 from Schedule B-4, line 19 and miscellaneous federal tax adjustments.....	2i.	
(j) Book-tax differential (if book-tax differential is apportionable and positive)	2j.	
(k) Taxable temporary differences in connection with the commercial activity tax credit for corporation franchise tax net operating losses. See R.C. 5751.53(H)(3)	2k.	
(l) Total deductions (add lines 2a through 2k)	2l.	

3. Net adjustments:

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

Supplemental Schedule C – Allocable Income – R.C. 5733.051

	Within Ohio	Total Everywhere
1. Amount from Schedule B-4, lines 21 and 23.....	1.	1.
2. Allocable negative book-tax differential (enter as positive number)	2.	2. style="text-align: center;">- 0 -
3. Allocable positive book-tax differential (enter as a negative number)	3.	3. style="text-align: center;">- 0 -
4. Nonbusiness income (attach explanation).....	4.	4.
5. Total everywhere. If negative, put in parentheses. (Enter here and on Schedule A, line 4).....	5.	5.
6. Total Ohio. If negative, put in parentheses. (Enter here and on Schedule A, line 8).....	6.	6.

Supplemental Franchise Tax Schedules for Electric Companies (See Note)

Supplemental Schedule A-1 – Nonrefundable Credits

Ohio Revised
Code Section
(R.C.)

Credits must be claimed in the order listed. R.C. 5733.98

1. Credit for qualifying affiliated groups (due to related entity and related member adjustments)	5733.068	1.	
2. Credit for recycling and litter prevention donations	5733.064	2.	
3. Credit for maintaining railroad crossing warning devices	5733.43	3.	
4. Credit for selling alternative fuel	5733.48	4.	
5. Job-training credit	5733.42	5.	
6. Credit for eligible new employees in an enterprise zone	5709.66	6.	
7. Ethanol plant investment credit	5733.46	7.	
8. Credit for grape production property	5733.32	8.	
9. Technology investment credit (attach credit certificate from Technology and Enterprise Advisory Board)	5733.35	9.	
10. Enterprise zone daycare and training credits	5709.65	10.	
11. Electric company credit for using Ohio coal	5733.39	11.	
12. Total of lines 1 through 11 (enter here and on Schedule A, line 19)		12.	
13. Credit for taxes paid by a qualifying pass-through entity (enter here and on Schedule A, line 21)	5733.0611	13.	

Note: Several credits that in previous years were included on electric company supplemental schedule A-1 and available under the franchise tax are now available under the commercial activity tax. Like other taxpayers that are subject to the franchise tax phase-out and the commercial activity tax phase-in, electric companies may **not** claim on the 2009 report the following three nonrefundable credits: (i) the job retention credit, (ii) the credit for qualified research expenses and (iii) the research and development loan repayment credit. Instead, these three nonrefundable credits along with the refundable new jobs credit are available under the commercial activity tax starting Jan. 1, 2008. However, taxpayers that are subject to the franchise tax phase-out and commercial activity tax phase-in may not apply these credits against the taxpayer's commercial activity tax liability until the tax period July 1, 2008 to Sept. 30, 2008 on the commercial activity tax return due Nov. 9, 2008. See tax commissioner's rule 5703-29-22.