Form: 20S and PTEC

Test Number: 20S-3 and PTEC-3

Company Name: Technology Inc.

Filing Type: Fiscal Year Filer

Items for Testing:

1. Schedule C
2. Schedule E
3. Schedule F
4. Schedule K
5. PAB
6. PTEC
7. PTE-CK1

FORM **20S**

Alabama Department of Revenue

● CY ☐ ● FY ☒ ● SY ☐ **2012**

S Corporation Information/Tax Return

For the year January 1 – December 31, 2012, or other tax year beginning ● April 01, 2012, ending ● March 31, 2013

▶ **Important**

Check applicable box:

● ☐ Initial Return

● ☐ Final Return

● ☐ Amended Return

FEDERAL BUSINESS CODE NUMBER	FEDERAL EMPLOYER IDENTIFICATION NUMBER
● 541990	●

NAME: ● Technology Inc

ADDRESS: 15 Tech Valley

CITY	STATE	9-DIGIT ZIP CODE
Hollywood	CA	● 78491-5111

STATE OF INCORPORATION	NATURE OF BUSINESS	DATE QUALIFIED IN ALABAMA
CA	Technology Development	01/01/1980

CHECK IF THE CORPORATION OPERATES IN MORE THAN ONE STATE ● ☒	NUMBER OF SHAREHOLDERS DURING TAX YEAR ● 3	IF YOU FILED A RETURN FOR 2011 AND THE ABOVE NAME OR ADDRESS IS DIFFERENT, CHECK HERE ● ☐

Data Summary

Total federal income ●

Total federal deductions ●

Total assets as shown on Form 1120S ●

Alabama Apportionment Factor from Schedule C, line 27 ● 4.8595

CN

UNLESS A COPY OF FORM 1120S IS ATTACHED, THIS RETURN IS INCOMPLETE

SCHEDULE A – Computation of Separately Stated and Nonseparately Stated Income / Tax

	1 Federal Ordinary Income or (Loss) from trade or business activities			1	● 800,800,800	00
Reconciliation to Alabama Basis *(see instructions)*	2 Net short-term and long-term capital gains – income or (loss)	2	● 00			
	3 Salaries and wages reduced for federal employment credits	3	●(00)			
	4 State and local net income taxes paid/(refund)	4	● 500 00			
	5 Net income or (loss) from rental real estate activities	5	● 00			
	6 Net income or (loss) from other rental activities	6	● 00			
	7 Net gain or (loss) under **I.R.C. §1231** *(other than casualty losses)*	7	● 00			
	8 Adjustments due to the Federal Economic Stimulus Act of 2008 *(attach schedule)*	8	● 00			
	9 Other reconciliation items *(attach schedule)*	9	● 780,000 00			
	10 Net reconciling items *(add lines 2 through 9)*			10	● 780,500	00
	11 Net Alabama nonseparately stated income or (loss) *(add line 1 and line 10)*			11	● 800,020,300	00
Separately Stated Items (Related to Business Income)	12 Contributions	12	●(2,500 00)			
	13 Oil and gas depletion	13	●(00)			
	14 **I.R.C. §179** expense deduction *(complete Schedule K)*	14	●(5,000 00)			
	15 Casualty losses	15	●(00)			
	16 Portfolio income less expenses *(complete Schedule K)*	16	● 13,500 00			
	17 Other separately stated items *(attach schedule)*	17	● (2,500) 00			
	18 Net separately stated items *(add line 12 through 17)*			18	● 3,500	00
	19 Total separately stated and nonseparately stated items *(add line 11 and line 18)*			19	● 800,023,800	00
	20 Nonseparately Stated Income Allocated and Apportioned to Alabama from Schedule E, line 7			20	● 38,876,987	00
Tax Due, Payments, and Credits	21 ALABAMA INCOME TAX *(see instructions and attach schedule)*			21	●	00
	22 Tax Payments, Credits, and Deferrals:					
	a. 2012 estimated tax payments and amounts applied from 2011 return	22a	● 00			
	b. Automatic extension payments *(see instructions)*	22b	● 00			
	c. Payments prior to amendment *(original return or Department adjustment)*	22c	● 00			
	d. Tax credits *(from line 10, Schedule G) (see instructions)*	22d	● 00			
	e. Total payments *(add lines 22a, 22b, 22c and 22d)*			22e	●	00
	23 **NET TAX DUE** *(subtract line 22e from line 21)*			23	●	00
	24 Reductions/applications of overpayments					
	a. Penalties *(see instructions)*	24a	● 00			
	b. Interest due *(computed on tax due only)*	24b	● 00			
	c. Amount to be credited to 2013 estimated tax	24c	● 00			
	d. Total reductions/applications *(add lines 24a, 24b and 24c)*			24d	●	00
	25 Amount to be refunded *(see instructions)*			25	●	00
	26 **TOTAL AMOUNT DUE**			26	●	00

If paying by check or money order, **FORM BIT-V MUST ACCOMPANY PAYMENT**.

If you paid electronically check here ☐

ADOR

SCHEDULE B – Allocation of Nonbusiness Income, Loss, and Expense

Identify by account name and amount all items of nonbusiness income, loss, and expense removed from apportionable income and those items which are directly allocable to Alabama. Adjustment(s) must also be made for any proration of expenses under Alabama Income Tax Rule 810-27-1-4-.01, which states, "Any allowable deduction that is applicable to both business and nonbusiness income of the taxpayer shall be prorated to each class of income in determining income subject to tax as provided…" *(See instructions).*

DIRECTLY ALLOCABLE ITEMS	ALLOCABLE GROSS INCOME / LOSS		RELATED EXPENSE		NET OF RELATED EXPENSE	
	Column A Everywhere	Column B Alabama	Column C Everywhere	Column D Alabama	Column E Everywhere (Col. A less Col. C)	Column F Alabama (Col. B less Col. D)
Nonseparately stated items						
1a	●					
1b	●					
1c	●					
1d Total *(add lines 1a, 1b, and 1c)*					●	●
Separately stated items						
1e	●					
1f	●					
1g	●					
1h Total *(add lines 1e, 1f, and 1g)*					●	●

SCHEDULE C – Apportionment Factor Schedule. Do not complete if entity operates exclusively in Alabama.

TANGIBLE PROPERTY AT COST FOR PRODUCTION OF BUSINESS INCOME		ALABAMA BEGINNING OF YEAR	ALABAMA END OF YEAR	EVERYWHERE BEGINNING OF YEAR	EVERYWHERE END OF YEAR
1 Inventories	1	●			
2 Land	2	●			
3 Furniture and fixtures	3	●			
4 Machinery and equipment	4	●		43,800	48,300
5 Buildings and leasehold improvements	5	●			
6 IDB/IRB property (at cost)	6	●			
7 Government property (at FMV)	7	●			
8 ●	8				
9 Less Construction in progress (if included)	9	●			
10 Totals	10	●		43,800	48,300
11 Average owned property (BOY + EOY ÷ 2)	11		●		● 46,050
12 Annual rental expense	12	● x8 =	●	● 13,000 x8 =	● 104,000
13 Total average property (add line 11 and line 12)	13a	●			13b ● 150,050
14 Alabama property factor — 13a ÷ 13b = line 14					14 ● 0.0000 %

SALARIES, WAGES, COMMISSIONS AND OTHER COMPENSATION RELATED TO THE PRODUCTION OF BUSINESS INCOME	15a ALABAMA	15b EVERYWHERE	15c
15 Alabama payroll factor — 15a ÷ 15b = 15c	● 55,155	1,800,600	3.0600 %

SALES		ALABAMA	EVERYWHERE
16 Destination sales	16	● 737,333,888	
17 Origin sales	17	●	
18 Total gross receipts from sales	18	● 737,333,888	9,004,110,041
19 Dividends	19	●	
20 Interest	20	●	
21 Rents	21	●	
22 Royalties	22	●	
23 Gross proceeds from capital and ordinary gains	23	●	
24 Other ● Test (Federal 1120S, line ● 2)		● 900	189,000
25 Alabama sales factor — 25a ÷ 25b = line 25c		25a ● 737,334,788	25b ● 9,004,488,041

25c	●	8.1890 %
26 Enter the amount from line 25c	26	8.1890 %
27 Sum of lines 14, 15c, 25c, and 26 ÷ 4 = **ALABAMA APPORTIONMENT FACTOR** (Enter here and on line 4, Schedule E, page 3)	27	● 4.8595 %

NOTE: If any factor is not utilized in the production of business income, it shall be eliminated and the denominator reduced accordingly (810-27-1-4-.09).

SCHEDULE D – Apportionment of Federal Income Tax

1	Enter the federal income tax from Federal Form 1120S	1	00
2	Enter the Alabama income from line 7, Schedule E below, if applicable. (If corporation operates exclusively in Alabama, do not complete lines 2-8.)	2	00
3	Apportionment of separately stated items 3a ● 3b x ● % = (Apportionment Factor (line 27, Schedule C)) Enter in line 3a the amount from line 18, Schedule A	3c	00
4	Separately stated items allocated to Alabama *(line 1h, Column F, Schedule B)*	4	00
5	Total *(add lines 2, 3c and 4)*	5	00
6	Adjusted total income *(add line 19, Schedule A to line 1h, Column E, Schedule B)*	6	00
7	Federal income tax apportionment factor *(line 5 divided by line 6)*	7	%
8	Federal income tax apportioned to Alabama *(multiply line 1 by the percent on line 7)*	8	00

SCHEDULE E – Apportionment and Allocation of Income to Alabama

1	Net Alabama nonseparately stated income or (loss) from line 11, Schedule A	1	800,020,300	00
2	Nonseparately stated (income) or loss treated as nonbusiness income *(line 1d, Column E, Schedule B)* – please enter income as a negative amount and losses as a positive amount	2		00
3	Apportionable income or (loss) *(add line 1 and line 2)*	3	800,020,300	00
4	Apportionment ratio from line 27, Schedule C	4	4.8595	%
5	Income or (loss) apportioned to Alabama *(multiply amount on line 3 by percent on line 4)*	5	38,876,987	00
6	Nonseparately stated income or (loss) allocated to Alabama as nonbusiness income *(Column F, line 1d, Schedule B)*	6		00
7	Nonseparately stated income allocated and apportioned to Alabama *(add lines 5 and 6)*. Also enter this amount on line 2, Schedule D; line 20, Schedule A; and line 1, Schedule K	7	38,876,987	00

SCHEDULE F – Alabama Accumulated Adjustments Account

1	Beginning balance (prior year ending balance)	1	608,600	00
2	Net Alabama nonseparately stated income or (loss) *(line 11, Schedule A)*	2	800,020,300	00
3	Net separately stated items (line 18, Schedule A)	3	3,500	00
4	Federal income tax deduction *(line 1, Schedule D)*	4	0	00
5	Separately stated nonbusiness items *(line 1h, Column E, Schedule B)*	5	0	00
6	Other additions/(reductions) *(Do not include tax exempt income and related expenses)*	6	(500)	00
7	Less distributions	7	520,200	00
8	Ending balance *(total appropriate lines)*	8	800,111,700	00

SCHEDULE G – Tax Credits *(Caution – See Instructions)*

1	Employer Education Tax Credit	1		00
2	Coal Credit	2		00
3	Capital Credit	3		00
4	Credit for Taxes Paid to Foreign Country	4		00
5	Heroes for Hire Credit	5		00
6	Full Employment Act of 2011 Credit	6		00
7	AL New Markets Development Credit	7		00
8	Enterprise Zone Credit	8		00
9	Irrigation Credit	9		00
10	TOTAL *(add lines 1 through 9)*. Enter here and on line 22d, Schedule A.	10		00

SCHEDULE H – The Following Information Must Be Entered For This Return To Be Considered Complete

1 Indicate tax accounting method used: ● ☐ Cash ● ☒ Accrual ● ☐ Other

2 Briefly describe your Alabama operations: ● Technology Research

3 Enter this company's Alabama Withholding Tax Account No.: ● 8749111111

4 Person to contact for information concerning this return:

Name ● Mr. Tester

Telephone Number ● (334) 874-4887 Email Address test@yahoo.com

5 Location of the corporate records: ● Montgomery, AL

6 Check if an Alabama business privilege tax return was filed for this entity: ● ☒

7 If the privilege tax return was filed using a different FEIN, please provide the name and FEIN used to file the return:

FEIN: ● 97-4841111 NAME: BPT Corp

SCHEDULE K – Distributive Share Items

		Federal Amount	Apportionment Factor	Apportioned Amount	Enter on Alabama Schedule K-1
1 Alabama nonseparately stated income (Schedule E, line 7)	1			38,876,987	Part III, Line M
Separately Stated Items:					
2 Contributions	2	2,500	4.8595	121	Part III, Line S
3 Oil and gas depletion	3				Part III, Line Z
4 **I.R.C. §179** expense deduction	4	5,000	4.8595	243	Part III, Line O
5 Casualty losses	5				Part III, Line W
6 Portfolio income	6	14,850	4.8595	722	Part III, Line Q
7 Interest expense related to portfolio income	7	900	4.8595	44	Part III, Line P
8 Other expenses related to portfolio income (attach schedule)	8	450	4.8595	22	Part III, Line R
9 Other separately stated business items (attach explanation)	9	(2,500)	4.8595	(121)	Part III, Line T
10 Small business health insurance premiums (attach explanation)	10				Part III, Line Y
11 Separately stated nonbusiness items (attach schedule)	11				Part III, Line AA
12 Composite payment made on behalf of owner/shareholder	12			1,749,497	Part III, Line U
13 U.S. taxes paid (attach explanation)	13				Part III, Line V
14 Alabama exempt income (attach explanation)	14				Part III, Line AB
15 Reemployment Act of 2010 deduction (attach explanation)	15				Part III, Line AC
Transactions with Owners:					
16 Property distributions to owners	16	520,200	100%	520,200	Part III, Line X

Please Sign Here

☒ I authorize a representative of the Department of Revenue to discuss my return and attachments with my preparer.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of Officer	Date	Daytime Telephone No.	Social Security No.
	04/01/2013	(334) 333-3333	11 22 1111

Title of Officer

Paid Preparer's Use Only

Preparer's Signature	Telephone No.	Date	Preparer's PTIN
	(334)444-4444	4/1/2013	P11111111

Firm's Name (or yours if self-employed) and address: Test Tax Service — E.I. No. 411844444

45 Testing Road Montgomery, AL — ZIP Code 36132

Email Address testing@cpa.com

CHECK LIST

HAVE THE FOLLOWING FORMS BEEN ATTACHED TO THE FORM 20S:

- ☐ ALABAMA SCHEDULE K-1 (one for each shareholder)
- ☐ ALABAMA SCHEDULE NRA (if applicable)
- ☐ FEDERAL FORM 1120S (entire form as filed with IRS)
- ☐ FEDERAL FORM 1120S PROFORMA (if applicable)
- ☐ FORM BIT-V (if applicable)

Returns without Payments

MAIL TO: Alabama Department of Revenue
Pass Through Entity
PO Box 327441
Montgomery, AL 36132-7441

Returns with Payments

MAIL TO: Alabama Department of Revenue
Pass Through Entity
PO Box 327444
Montgomery, AL 36132-7444

SCHEDULE

K-1

(Form 65 and Form 20S)

ALABAMA DEPARTMENT OF REVENUE
INDIVIDUAL & CORPORATE TAX DIVISION

Owner's/Shareholder's Share of Income, Deductions, Credits, etc.

2012

SEE INSTRUCTIONS

- ☐ Subchapter K entity
- ☒ S corporation
- ☐ QIP Indicator

Tax year beginning 4/1, 2012 and ending 3/31/, 20 13

- ☐ Final K-1
- ☐ Amended K-1

PART I Information About the Pass Through Entity

A Entity's Federal Employer Identification Number

B Entity's name, address, city, state, and ZIP code

Technology Inc
15 Tech Valley

PART II Information About the Owner/Shareholder

C Owner's/Shareholder's identifying number
777777777

D Owner's/Shareholder's name
Bill G

E Owner's/Shareholder's street address
19 Computer Highway

F Owner's/Shareholder's city, state, ZIP code
Hollywood, CA 78418

G ☐ General partner or LLC member manager ☒ Limited partner or other LLC member

H What type of entity is this owner/shareholder?
Individual
☐ Tax exempt entity

I Owner's/Shareholder's percentage of profit and (loss) sharing
50.00%

J Check if owner/shareholder is a nonresident ☒ Nonresident
If a nonresident, provide state of legal residence:
California
Check if the owner is a single member LLC.
☒ Owner Bill G Corp

K Owner's basis at end of tax year
9,748,171,411

L
1. Credit for taxes paid to foreign country
2. Heroes for Hire Credit
3. Full Employment Act of 2011
4. Capital Credit
5. AL New Markets Development Credit
6. Enterprise Zone Credit
7. Irrigation Credit

PART III Owner's/Shareholder's Share of Current Year Alabama Income, Deductions, Credit, and Other Items

	Income allocated and apportioned to Alabama		100% Alabama – to be reported by Alabama residents
M	Nonseparately stated income: 19,438,494	**M2**	
N	Amount of guaranteed payments to partner to be reported by the partner as Alabama source income *(see instructions)*	**N2**	
O	Section 179 expense: 122	**O2**	
P	Investment interest expense related to portfolio income: 22	**P2**	
Q	Portfolio income: 361	**Q2**	
R	Other expenses related to portfolio income – *do not include interest expense*: 11	**R2**	
S	Charitable contributions: 61	**S2**	
T	Other separately stated business items *(attach schedule)*: (61)	**T2**	
U	Composite payment made on behalf of owner/shareholder *(see instructions)*: 971,943		
V	U.S. income taxes paid *(see instructions)*	**V2**	
W	Casualty losses *(see instructions)*	**W2**	
X	Withdrawals and distributions: 260,100		
Y	Small business health insurance premiums *(attach explanation)*		
Z	Oil and gas depletion	**Z2**	
AA	Separately stated nonbusiness items *(attach schedule)*		
AB	Alabama exempt income *(attach explanation)*	**AB2**	
AC	Reemployment Act of 2010 Deduction *(attach explanation)*		

A completed Alabama Schedule K-1 for each member in the Subchapter K entity/S corporation must be attached to Form 65/Form 20S.

SCHEDULE

K-1

(Form 65 and Form 20S)

ALABAMA DEPARTMENT OF REVENUE
INDIVIDUAL & CORPORATE TAX DIVISION

Owner's/Shareholder's Share of Income, Deductions, Credits, etc.

2012

SEE INSTRUCTIONS

- ☐ Subchapter K entity
- ☒ S corporation
- ☐ QIP Indicator

Tax year beginning 4/1, 2012 and ending 3/31/, 20 13

- ☐ Final K-1
- ☐ Amended K-1

PART I Information About the Pass Through Entity

A Entity's Federal Employer Identification Number

B Entity's name, address, city, state, and ZIP code

Technology Inc
15 Tech Valley

PART II Information About the Owner/Shareholder

C Owner's/Shareholder's identifying number
888888888

D Owner's/Shareholder's name
Tech LLC

E Owner's/Shareholder's street address
15 Broadway

F Owner's/Shareholder's city, state, ZIP code
New York, NY 11574

G ☐ General partner or LLC member manager ☐ Limited partner or other LLC member

H What type of entity is this owner/shareholder?
Partnership
☐ Tax exempt entity

I Owner's/Shareholder's percentage of profit and (loss) sharing
40.00%

J Check if owner/shareholder is a nonresident ☒ Nonresident
If a nonresident, provide state of legal residence:
New York
Check if the owner is a single member LLC.
☐ Owner

K Owner's basis at end of tax year
158,741,887

L
1. Credit for taxes paid to foreign country
2. Heroes for Hire Credit
3. Full Employment Act of 2011
4. Capital Credit
5. AL New Markets Development Credit
6. Enterprise Zone Credit
7. Irrigation Credit

PART III Owner's/Shareholder's Share of Current Year Alabama Income, Deductions, Credit, and Other Items

	Income allocated and apportioned to Alabama		100% Alabama – to be reported by Alabama residents
M	Nonseparately stated income: 15,550,795	M2	
N	Amount of guaranteed payments to partner to be reported by the partner as Alabama source income *(see instructions)*	N2	
O	Section 179 expense: 97	O2	
P	Investment interest expense related to portfolio income: 18	P2	
Q	Portfolio income: 289	Q2	
R	Other expenses related to portfolio income – *do not include interest expense*: 9	R2	
S	Charitable contributions: 48	S2	
T	Other separately stated business items *(attach schedule)*: (48)	T2	
U	Composite payment made on behalf of owner/shareholder *(see instructions)*: 777,554		
V	U.S. income taxes paid *(see instructions)*	V2	
W	Casualty losses *(see instructions)*	W2	
X	Withdrawals and distributions: 208,080		
Y	Small business health insurance premiums *(attach explanation)*		
Z	Oil and gas depletion	Z2	
AA	Separately stated nonbusiness items *(attach schedule)*		
AB	Alabama exempt income *(attach explanation)*	AB2	
AC	Reemployment Act of 2010 Deduction *(attach explanation)*		

A completed Alabama Schedule K-1 for each member in the Subchapter K entity/S corporation must be attached to Form 65/Form 20S.

SCHEDULE

K-1

(Form 65 and Form 20S)

ALABAMA DEPARTMENT OF REVENUE
INDIVIDUAL & CORPORATE TAX DIVISION

Owner's/Shareholder's Share of Income, Deductions, Credits, etc.

2012

SEE INSTRUCTIONS

- ☐ Subchapter K entity
- ☒ S corporation
- ☐ QIP Indicator

Tax year beginning 4/1, 2012 and ending 3/31/, 20 13

- ☐ Final K-1
- ☐ Amended K-1

PART I Information About the Pass Through Entity

A Entity's Federal Employer Identification Number

B Entity's name, address, city, state, and ZIP code

Technology Inc
15 Tech Valley

PART II Information About the Owner/Shareholder

C Owner's/Shareholder's identifying number
554871574

D Owner's/Shareholder's name
Alabama Technology

E Owner's/Shareholder's street address
19 Auburn Drive

F Owner's/Shareholder's city, state, ZIP code
Elba, AL 36778

G ☐ General partner or LLC member manager ☐ Limited partner or other LLC member

H What type of entity is this owner/shareholder?
Corporation
☐ Tax exempt entity

I Owner's/Shareholder's percentage of profit and (loss) sharing
10.00%

J Check if owner/shareholder is a nonresident ☐ Nonresident
If a nonresident, provide state of legal residence:

Check if the owner is a single member LLC.
☐ Owner

K Owner's basis at end of tax year

L
1. Credit for taxes paid to foreign country
2. Heroes for Hire Credit
3. Full Employment Act of 2011
4. Capital Credit
5. AL New Markets Development Credit
6. Enterprise Zone Credit
7. Irrigation Credit

PART III Owner's/Shareholder's Share of Current Year Alabama Income, Deductions, Credit, and Other Items

		Income allocated and apportioned to Alabama		100% Alabama – to be reported by Alabama residents
M	Nonseparately stated income	3,887,698	M2	80,002,030
N	Amount of guaranteed payments to partner to be reported by the partner as Alabama source income *(see instructions)*		N2	
O	Section 179 expense	24	O2	500
P	Investment interest expense related to portfolio income	4	P2	90
Q	Portfolio income	72	Q2	1,485
R	Other expenses related to portfolio income – *do not include interest expense*	2	R2	45
S	Charitable contributions	12	S2	250
T	Other separately stated business items *(attach schedule)*	(12)	T2	(250)
U	Composite payment made on behalf of owner/shareholder *(see instructions)*			
V	U.S. income taxes paid *(see instructions)*		V2	
W	Casualty losses *(see instructions)*		W2	
X	Withdrawals and distributions	52,020		
Y	Small business health insurance premiums *(attach explanation)*			
Z	Oil and gas depletion		Z2	
AA	Separately stated nonbusiness items *(attach schedule)*			
AB	Alabama exempt income *(attach explanation)*		AB2	
AC	Reemployment Act of 2010 Deduction *(attach explanation)*			

A completed Alabama Schedule K-1 for each member in the Subchapter K entity/S corporation must be attached to Form 65/Form 20S.

Schedule
PAB
(Form 65, 20S)

Alabama Department of Revenue
Add-Back Form

2012
ADOR

TAXPAYER NAME: Technology Inc TAXPAYER FEIN: FOR THE TAX PERIOD 04-01 , 20 12 through 03-31 , 20 13

Related member is defined to include a corporation, association, disregarded entity, or subchapter K entity (Alabama Code section 40-18-1(13) and (15)). Disregarded entities and subchapter K entities are related members separate and apart from their owner. A column must be completed for each recipient related member.

Recipient related member who received interest/intangible income from the taxpayer:		Related Member 1	Related Member 2	Related Member 3	Related Member 4
1 a. Recipient related member FEIN	1a	77-7777777	11-1111111		
b. Recipient related member name	1b	Computer Corp	Cell Corp		
2 List the intangible expense amounts paid to the recipient related member	2	10,000	1,000,000		
3 List the interest expense amounts paid to the recipient related member	3		25,000,000		
4 Total intangible/interest expenses paid *(total lines 2 and 3)*	4	10,000	26,000,000		
To determine the exempt amount of intangible/interest expense, complete the applicable section(s) below.					
5 **Exemption related to §40-18-35(b)(1) and §40-18-24(b):**					
a. Jurisdiction(s) where recipient related member income is "subject to tax"	5a		GA, PA, TX, FL		
b. Amount of Line 4 expense not added back	5b		26,000,000		
c. Recipient related member's corresponding intangible/interest income allocated to jurisdiction	5c				
d. Adjusted intangible/interest amount *(Line 5b minus Line 5c)*	5d		26,000,000		
e. Recipient related member's total apportionment percentage in the above jurisdiction(s)	5e	%	97.0000%	%	%
f. Adjusted interest/intangible amount *(multiply Line 5d by Line 5e)*	5f		25,220,000		
g. Add Line 5c and Line 5f	5g		25,220,000		
6 **Exemption related to §40-18-35(b)(2), §40-18-35(b)(4), §40-18-24(d) and §40-18-24(f)** – Amount of Line 4 expense not added back	6				
NOTE: *For Section 7, 8, 9, and 10 the receipts of a disregarded entity/subchapter K entity, which may be a related entity in and unto itself, may not be combined with receipts of its owner for purposes of this schedule.*					
7 **Exemption related to §40-18-35(b)(3) and §40-18-24(e)** – Amount of Line 4 expense not added back	7	10,000			
8 Recipient related member receipts by category: a. Intangible receipts	8a	10,000			
b. Interest receipts	8b				
9 a. Sales	9a	15,000			
b.	9b				
c.	9c				
d.	9d				
e.	9e				
10 a. If either Lines 8a or 8b are greater than Lines 9a, 9b, 9c, 9d or 9e, enter zero	10a				
b. If Lines 9a, 9b, 9c, 9d or 9e are greater than Lines 8a or 8b, enter amount from Line 7	10b	10,000			
11 Exempt Amount. Enter the greater of Lines 5g, 6, 10a or 10b	11	10,000	25,220,000		
12 **Total Intangible/Interest expenses paid to all related members.** *(Sum all Line 4 for all related members from all pages.)*	12	26,010,000			
13 **Total Exempt Amount.** *(Sum Line 11 for all related members from all pages. The net amount from Lines 12 and 13 should be entered on Form 65, Schedule A, Line 8 or Form 20S, Schedule A, Line 9)*	13	25,230,000			

Attach additional pages as needed and enter the totals of Lines 4 and Lines 11 for all related members from all pages on Page 1, Line 12 and 13.

In order to qualify for the exemption presented in §40-18-35(b)(3) and §40-18-24(e), Line 10b must be greater than zero and an informed corporate officer must sign the statement below, executed under penalty of perjury. With respect to the transaction(s) giving rise to the related member's interest/intangible expenses and costs, including both the direct interest/intangible expense transaction(s) between the taxpayer and the related member and any prior organizational restructuring transaction(s) that facilitated such direct interest/intangible expense transactions, tax avoidance (which included the avoidance of a meaningful amount of Alabama tax) was not a principal motivating factor.

Signature

Title CFO Date 04/01/2013

THIS FORM MUST BE ATTACHED TO FORM 65 or 20S.

FORM

PTE-C

Alabama Department of Revenue
Individual & Corporate Tax

CY ● ☒
FY ● ☐
SY ● ☐

2012

Nonresident Composite Payment Return

For the year January 1-December 31, 2012 or other tax year beginning ● 4/1, 2012, ending ● 3/31, 2013

Form PTE-C is used to report Alabama taxable income for all or some of the nonresident owners/shareholders from reported Subchapter K entity or S corporation income and to make payment on behalf of the owners/shareholders in lieu of individual reporting. *(CAUTION: Do not include losses on this form – see instructions.)*

Check applicable box:

● ☐ Subchapter K entity
● ☒ S corporation
● ☐ Qualified Investment Partnership

Check if amended:

● ☐ Amended return

FEDERAL EMPLOYER IDENTIFICATION NUMBER ●

FEDERAL BUSINESS CODE ● 541990

DEPARTMENT USE ONLY

NAME ● Technology Inc

ADDRESS 15 Tech Valley

CITY Hollywood

STATE CA

ZIP CODE ● 78491

TOTAL NUMBER OF OWNERS/ SHAREHOLDERS IN ENTITY: ● 3

NUMBER OF NONRESIDENT OWNERS/SHAREHOLDERS INCLUDED IN COMPOSITE FILING: ● 2

IF YOU FILED A 2011 RETURN WITH A DIFFERENT ADDRESS, CHECK HERE. ● ☐

DO NOT ATTACH TO OR MAIL WITH FORM 65 OR 20S, THIS FORM MUST BE MAILED *SEPARATELY*.

1.	Amount of tax due *(see instructions)*	1	● 1,749,497
2.	Interest Due	2	●
3.	Penalty Due	3	●
4.	Total tax, interest, and penalty due	4	● 1,749,497
5a.	Overpayment from 2011	5a	●
b.	Estimated and automatic extension tax payments	5b	●
c.	Composite payment made on behalf of this entity. Paid by ● _____ FEIN ● _____	5c	●
d.	Total of all payments/credits *(add lines 5a through 5c)*	5d	●
6.	Amount to be remitted or (overpayment) *(subtract line 5d from line 4)*	6	● 1,749,497
	If paid by check or money order, **FORM BIT-V MUST ACCOMPANY PAYMENT**. If paid electronically check here ☒		
7a.	Overpayment to be credited to 2013 return	7a	●
b.	Overpayment amount to be refunded	7b	●

● ☒ I authorize a representative of the Department of Revenue to discuss my return and attachments with my preparer.

Please Sign Here

UNDER PENALTIES OF PERJURY, I declare that I have examined this return and accompanying schedules and statements and, to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your Signature	Title or Position	Daytime Telephone No.	Date
	CFO	(334)333-3333	01/01/2013

Paid Preparer's Use Only

Preparer's Signature

Date ● 01/01/2013

Preparer's PTIN ● P11 11 1187

Preparer's Printed Name ● Ms. Preparer

Firm's Name (or yours, if self-employed) and Address ● Test Tax Service

E.I. Number ● 22-2222222

● 45 Testing Road Montgomery, TX 77841

Telephone Number ● (334)444-4444

Email Address test@yahoo.com

Make remittance payable to: **Alabama Department of Revenue**
Write – Form PTE-C, tax year, and FEIN on remittance for verification purposes.
Include with payment Form BIT-V available at www.revenue.alabama.gov.

Mail to: **Alabama Department of Revenue – PTE**
P.O. Box 327444
Montgomery, AL 36132-7444

ADOR

Required Entity Information For Partnerships and LLCs

1. List general partners.

NAME OF GENERAL PARTNER	SSN / FEIN	ADDRESS	PERCENT OF OWNERSHIP
a. ●			
b. ●			
c. ●			
d. ●			
e. ●			

*Additional information is not a substitute for Schedule K-1.

2. List other states in which the Partnership/LLC operates, if applicable.

3. At any time during the tax year, did the Partnership/LLC transact business in a foreign country? ☐ Yes ☒ No
If yes, complete the information below:

NAME OF COUNTRY	NATURE OF BUSINESS	TAXABLE INCOME REPORTED TO COUNTRY
a. ●		
b. ●		
c. ●		
d. ●		
e. ●		

4. At any time during the tax year, did the Partnership/LLC invest in another Pass-Through entity? ☐ Yes ☒ No
If yes, complete the information below:

NAME OF ENTITY	FEIN	PERCENT OF OWNERSHIP
a. ●		
b. ●		
c. ●		
d. ●		
e. ●		

Do not attach the original Qualified Investment Partnership (QIP) Certification to this return! The certification must be filed with the annual Form 65 return for the QIP.

5. Person to contact for information regarding this return:

Name: Mr. TV

Telephone Number: (334) 878-4112

Email: MRTV@yahoo.com

SCHEDULE

PTE-CK1

ALABAMA DEPARTMENT OF REVENUE **2012**

Entity's FEIN

For the year January 1 - December 31, 2012 or other tax year beginning _____, 20_____ ending _____, 20_____

	(A) Non-Resident Owner's/Shareholder's Name, Street Address, City, State, and ZIP	(B) Social Security Number/FEIN	(C) Entity Type	(D) Owner's/ Shareholder's Percentage of Ownership	(E) Owner's/Shareholder's Share of Nonseparately Stated Income + Portfolio Income	(F) Guaranteed Payments	(G) Total Income (Col. E + F)	(H) Owner's/ Shareholder's Share of Tax Due (Col. G X 5%)
1	Tech LLC 15 Broadway New York, NY 11574	88-8888888	P	40.0000	15,551,084		15,551,084	777,554
2	Bill G 19 Computer Highway Hollywood, CA 78418	77-7777777	I	50.0000	19,438,855		19,438,855	971,943
3								
4								
5								
6								
7								
8								
9								
10								
11								
12	Totals page 2 [columns (E) through (H)]							
13	Summary totals for additional pages [columns (E) through (H)]							
14	Totals [columns (E) through (G)] (lines 12 + 13)							
14H	Add lines 12 and 13, column (H) and enter here and on page 1, line 1							1,749,497

IF MORE THAN 11 NON-RESIDENT OWNERS/SHAREHOLDERS, ATTACH ADDITIONAL PAGES AND ENTER SUMMARY TOTALS ON LINE 13 ABOVE.