

Form: 20C

Test Number: 2

Company Name: 20C Test 2

Filing Type: 2 – 100% Alabama, Calendar year filer

Items for testing:

1. Initial return checkbox
2. Foreign address "FC" for company on page 1
3. Schedule A – Negative amount
4. Schedule C
5. Schedule D-1 populated, with 0% apportionment (use 0% apportionment checkbox)
6. Foreign address under "Other Information", location of corporate records (Other Information, Line 8)
7. Federal Business Code Number to be completed by vendor



Corporation Income Tax Return

For the year January 1 - December 31, 2014, or other tax year beginning 05/01, 2014, ending 04/30, 2015

Check applicable box: PL 86-272, Initial return, Final return, Amended return, Address change. FEDERAL BUSINESS CODE NUMBER, FEDERAL EMPLOYER IDENTIFICATION NUMBER, NAME, ADDRESS, CITY, STATE, COUNTRY, 9-DIGIT ZIP CODE, STATE OF INCORPORATION, DATE OF INCORPORATION, DATE QUALIFIED IN ALABAMA, NATURE OF BUSINESS IN ALABAMA.

Table with 18 rows for tax calculations: 1 FEDERAL TAXABLE INCOME, 2 Federal Net Operating Loss, 3 Reconciliation adjustments, 4 Federal taxable income adjusted to Alabama Basis, 5 Net nonbusiness (income)/loss, 6 Apportionable income, 7 Alabama apportionment factor, 8 Income apportioned to Alabama, 9 Net nonbusiness income/(loss) - Alabama, 10 Alabama income before federal income tax deduction, 11a Federal income tax deduction, 12 Alabama income before net operating loss, 13 Alabama NOL deduction, 14 Alabama taxable income, 15 Alabama Income Tax, 16 Tax Payments, Credits, and Deferral, 17 Reductions/applications of overpayments, 18 Total amount due/(refund).

UNLESS A COPY OF THE FEDERAL RETURN IS ATTACHED, THIS RETURN WILL BE CONSIDERED INCOMPLETE. (SEE ALSO PAGE 4, OTHER INFORMATION, NO. 5.)

If you paid electronically check here: []

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.

Signature, Title, Date, Daytime Telephone No.

Paid Preparer's Use Only: Preparer's signature, Date, Check if self-employed, Preparer's Tax Identification Number, Firm's name, Tel. No., E.I. No., ZIP Code.



Schedule C Allocation of Nonbusiness Income, Loss, and Expense – Use only if you checked Filing Status 2, page 1

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 OF NONBUSINESS INCOME OR LOSS	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	Column F Alabama
1a • Investment	500,000		250,000		250,000	
b •						
c •						
d •						
e •						
2 NET NONBUSINESS INCOME / LOSS					Column E	Column F
Enter Column E total ((income)/loss) on line 5 of page 1. Enter Column F total (income/(loss)) on line 9 of page 1					• 250,000	

Schedule D-1 Apportionment Factor Schedule – Use only if you checked Filing Status 2, page 1 – Amounts must be Positive (+) Values

TANGIBLE PROPERTY AT COST FOR PRODUCTION OF BUSINESS INCOME	ALABAMA		EVERYWHERE	
	BEGINNING OF YEAR	END OF YEAR	BEGINNING OF YEAR	END OF YEAR
1 Inventories	•			10,000
2 Land	•			
3 Furniture and fixtures	•			
4 Machinery and equipment	•			
5 Buildings and leasehold improvements	•		75,000,000	100,000,000
6 IDB/IRB property (at cost)	•			
7 Government property (at FMV)	•			
8 • Test 2	•		25,000	50,000
9 Less Construction in progress (if included)	•			
10 Totals	•		75,025,000	100,060,000
11 Average owned property (BOY + EOY ÷ 2)		•		87,542,500
12 Annual rental expense	•	x8 =	150,000 x8 =	1,200,000
13 Total average property (add line 11 and line 12)		13a •		13b • 88,742,500
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	•		150,000	0.0000 %
SALES		ALABAMA	EVERYWHERE	
16 Destination sales (see instructions)	•			
17 Origin sales (see instructions)	•			
18 Total gross receipts from sales	•			
19 Dividends	•			
20 Interest	•			
21 Rents	•		19,741,925	
22 Royalties	•			
23 Gross proceeds from capital and ordinary gains	•			
24 Other • Other (Federal 1120, line • 10)			100	
25 Alabama sales factor – 25a ÷ 25b = line 25c			25b 19,742,025	25c 0.0000 %
26 Alabama sales factor (Enter the same factor as on line 25c)				26 • 0.0000 %
27 Sum of lines 14, 15c, 25c, and 26 ÷ 4 = ALABAMA APPORTIONMENT FACTOR (Enter here and on line 7, page 1)				27 • 0.0000 %

Schedule D-2 Percentage of Sales – Use only if you checked Filing Status 3, page 1 – See instructions

DO NOT USE THIS SCHEDULE IF ALABAMA SALES EXCEED \$100,000.		ALABAMA	EVERYWHERE
1 Destination Sales	•		
2 Origin Sales	•		
3 Total gross receipts from sales	•		
4 Tax due (multiply line 3, Alabama by .0025) (enter here and on page 1, line 15)	•		



Schedule E Federal Income Tax (FIT) Deduction/(Refund)

(a) If this corporation is an accrual-basis taxpayer and files a separate (nonconsolidated) federal income tax return with the IRS, skip to line 6 and enter the amount of federal income tax liability shown on Form 1120. Cash-basis taxpayers filing separate (nonconsolidated) federal returns should enter on line 6 below the amount of federal income tax actually paid during the year.

(b) Methods 1552(a)(1) or 1552(a)(2), enter on line 6 the amount of the consolidated tax liability allocated to this corporation from line 5.

(c) If using Method 1552(a)(3), enter on line 6 the amount of the consolidated tax allocated to this corporation. Attach a schedule of your computations. Ignore any supplemental elections under IRC §1502.

If this corporation is a member of an affiliated group which files a consolidated federal return, indicate the number of the election made under IRC §1552.

- 1552(a)(1) • 1552(a)(2) • 1552(a)(3) • No Election Made
- Other _____

1552(a)(1) enter separate company income from line 30 of the proforma 1120 for this company on line 1.

1552(a)(2) enter separate company tax liability from line 31 of the proforma 1120 for this company on line 1.

1	This company's separate federal taxable (income/tax)	1	•
2	Total positive consolidated federal taxable (income/tax)	2	•
3	This company's percentage (divide line 1 by line 2)	3	• %
4	Consolidated federal income tax (liability/payment)	4	•
5	Federal income tax for this company (multiply line 3 by line 4)	5	•
6	Federal income tax to be apportioned	6	•
7	Alabama income, page 1, line 10	7	•
8	Adjusted total income, page 1, line 4	8	•
9	Federal income tax ratio (divide line 7 by line 8)	9	• %
10	Federal income tax apportioned to Alabama (multiply line 6 by line 9)	10	•
11	Less refunds or adjustments	11	•
12	Net federal income tax deduction / <refund>	12	•

Schedule F Credits/Exemptions *Caution – See Schedule BC* **Schedule BC must be attached to claim business credit(s)**

1	Capital Tax Credit	1	•
2	Alabama New Market Development Act	2	•
3	Alabama Accountability Act	3	•
4	Other Credits	4	•
5	TOTAL (add lines 1 through 4). Enter here and on line 16f, page 1	5	•

Other Information

- Briefly describe your Alabama operations. • Cabin Rentals
- List locations of property within Alabama (cities and counties). • None
- List other states in which corporation operates, if applicable. • GA, TN, FL
- Indicate your tax accounting method:
• Accrual • Cash • Other • Test
- If this corporation is a member of an affiliated group which files a consolidated federal return, the following information **must be provided**:
 (a) **Copy of Federal Form 851, Affiliations Schedule.** Identify by asterisk or underline the names of those corporations subject to tax in Alabama.
 (b) **Signed copy of consolidated Federal Form 1120, pages 1-5,** as filed with the IRS.
 (c) **Copy of the spreadsheet of income statements; all supporting schedules for all legal entities that file as part of the consolidated federal group** including (but not limited to) a copy of the spreadsheet of income statements (which includes a separate column that identifies the eliminations and adjustments used in completing the federal consolidated return), beginning and ending balance sheets, Schedule M-3 for the entire federal consolidated group.
 (d) **Copy of federal Schedule K-1** for each tax entity that the corporation holds an interest in at any time during the taxable year.
 (e) **Copy of federal Schedule(s) UTP.**
- Enter this corporation's federal net income (see instructions for page 1, line 1) for the last three (3) years, as last determined (e.g.: per amended federal return or IRS audit).
 2013 • 250,500,450 2012 • 375,678,210 2011 • 16,769,175
- Check if currently being audited by the IRS. •
- Location of the corporate records: Street address: • 4C73U Record Keeping Lane
 City: • Tokyo State: • Japan "FC" ZIP: • 00000
- Person to contact for information concerning this return:
 Name: • Charlotte Taylor Email Address: • ctaylor@email.com Telephone: • (576) 834 - 1234
- If this entity filed an Alabama Business Privilege tax return under a different FEIN than the one listed on this Form 20C, please enter that number here: • _____

Non-payment returns, mail to: Alabama Department of Revenue
 Individual and Corporate Tax Division
 Corporate Tax Section
 PO Box 327430
 Montgomery, AL 36132-7430

Payment returns, mail with payment voucher (Form BIT-V) to: Alabama Department of Revenue
 Individual and Corporate Tax Division
 Corporate Tax Section
 PO Box 327435
 Montgomery, AL 36132-7435