



For the year January 1 – December 31, 2008, or other tax year beginning _____, 2008, ending _____

Check applicable box: Initial return, Final return, Amended return, Address change. Filing Status: 1. Corporation operating only in Alabama, 2. Multistate Corporation – Apportionment (Sch. D-1), 3. Multistate Corporation – Percentage of Sales (Sch. D-2), 4. Multistate Corporation – Separate Accounting (Prior written approval required and must be attached), 5. Proforma Return – files as part of Alabama Affiliated Group.

Table with 14 rows: 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 – Everywhere, 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, 11 Federal income tax deduction/(refund), 12 Alabama income before net operating loss (NOL) carryforward, 13 Alabama NOL deduction, 14 Alabama taxable income.

Table with 15 rows: 15 Alabama Income Tax (6.5% of line 14), 16 Tax Payments, Credits, and Deferral (16a-16h), 17 Reductions/applications of overpayments (17a-17e), 18 Total amount due/(refund) (line 15 less 16h, plus 17e).

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 Social Security Number, Firm's name (or yours, if self-employed) and address, Tel. No., E.I. No., ZIP Code.



Schedule A

Reconciliation Adjustments of Federal Taxable Income to Alabama Taxable Income

§40-18-33, Code of Alabama 1975, defines Alabama Taxable Income as federal taxable income without the benefit of the federal net operating loss plus specific additions and less specific deductions. The specific additions and deductions are reflected in the lines provided below. Other reconciliation items include transition adjustments to prevent duplicate deduction or duplicate taxation of items previously deducted or reported on Alabama income tax returns.

ADDITIONS

Table with 9 rows for additions. Line 1: State and local income taxes. Line 2: Federal exempt interest income. Line 3: Dividends from corporations. Line 4a-c: Federal depreciation and bonus depreciation. Line 5: Net income from foreclosure property. Line 6: Related members interest. Line 7: Captive REITS. Line 8: Total additions (add lines 1 through 8).

DEDUCTIONS

Table with 25 rows for deductions. Line 10: Refunds of state and local income taxes. Line 11: Interest income earned on direct obligations of the United States. Line 12: Interest income earned on obligations of Alabama. Line 13: Interest income earned on obligations issued prior to 12/31/1994. Line 14: Aid or assistance provided to the Alabama State Industrial Development Authority. Line 15: Expenses not deductible on federal income tax return. Line 16: Dividends described in 26 U.S.C. §78. Line 17: Dividend income - more than 20% stock ownership. Line 18: Dividends received from foreign sales corporations. Line 19: Interest portion of rent paid under lease agreements. Line 20: Amount of the oil/gas depletion allowance. Lines 21-23: Additional deduction lines. Line 24: Total deductions (add lines 10 through 23). Line 25: TOTAL RECONCILIATION ADJUSTMENTS (subtract line 24 from line 9 above).

Schedule B

Alabama Net Operating Loss Carryforward Calculation (§40-18-35.1, Code of Alabama 1975)

Table with 5 columns: Column 1: Loss Year End MM / DD / YYYY; Column 2: Amount of Alabama net operating loss; Column 3: Amount used in years prior to this year; Column 4: Amount used this year; Column 5: Remaining unused net operating loss. Includes a final row for Alabama net operating loss (enter here and on line 13, page 1).



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 ●						
b ●						
c ●						
d ●						
e ●						
2 NET NONBUSINESS INCOME / LOSS Enter Column E total ((income)/loss) on line 5 of page 1. Enter Column F total (income/(loss)) on line 9 of page 1					Column E ●	Column F

Schedule D-1

Apportionment Factor Schedule – Use only if you checked Filing Status 2, page 1

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 ●				
2 Land ●				
3 Furniture and fixtures ●				
4 Machinery and equipment ●				
5 Buildings and leasehold improvements ●				
6 IDB/IRB property (at cost) ●				
7 Government property (at FMV) ●				
8 ●				
9 Less Construction in progress (if included) ●				
10 Totals ●				
11 Average owned property (BOY + EOY ÷ 2)		●		●
12 Annual rental expense ●		x8 =		x8 =
13 Total average property (add line 11 and line 12)		13a ●		13b ●
14 Alabama property factor — 13a ÷ 13b = line 14				14 ● %
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		●		%
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		●		
22 Royalties		●		
23 Gross proceeds from capital and ordinary gains		●		
24 Other ● (Federal 1120, line ●)		●		
25 Alabama sales factor — 25a ÷ 25b = line 25c		25a ●	25b	25c %
26 Sum of lines 14, 15c, and 25c ÷ 3 = ALABAMA APPORTIONMENT FACTOR (Enter here and on line 7, page 1)				26 ● %

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.

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

Schedule F

Credits/Exemptions Caution – See Instructions

Table with 7 rows and 3 columns. Rows include: 1 Alabama Enterprise Zone Credit/Exemptions, 2 Employer Education Credit, 3 Income Tax Credit, 4 Tax Increment Fund Payment Credit, 5 Coal Tax Credit, 6 Capital Tax Credit (Project Number(s)), 7 TOTAL (add lines 1 through 6). Enter here and on line 16f, page 1.

Other Information

- 1. Briefly describe your Alabama operations.
2. List locations of property within Alabama (cities and counties).
3. List other states in which corporation operates, if applicable.
4. Indicate your tax accounting method: [] Accrual [] Cash [] Other
5. 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) Copy of the spreadsheet of the income statements for EVERY corporation in the consolidated group.
(c) Copy of consolidated Federal Form 1120, pages 1-5, as filed with the IRS.
6. 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). 2007, 2006, 2005
7. Check if currently being audited by the IRS.
8. Location of the corporate records: Street address, City, State, ZIP
9. Person to contact for information concerning this return: Name, Telephone
10. 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