CIFT 620 (2013)

LOUISIANA CORPORATION INCOME TAX RETURN FOR **2012** AND CORPORATION FRANCHISE TAX RETURN FOR **2013**

Contains Apportionment and Allocation Schedules and Instructions

If this return is to be completed by a preparer, the entire booklet should be given to the preparer.

You can also pay your Louisiana Corporation Income and Franchise Taxes by credit card over the internet or by telephone. Visit www.officialpayments.com or call 1.800.2PAY.Tax (1.800.272.9829).

LDR

Contributing to a better quality of life

CIFT-620 (1/13)

Louisiana Department of Revenue
Post Office Box 91011
Baton Rouge, LA 70821-9011

Print your LA Revenue Account Number here *(Not FEIN)*: ▶ ☐☐☐☐☐☐☐–☐☐☐

▶ **For office use only.** ☐

Louisiana Corporation **Income Tax** Return for **2012** or Fiscal Year	Louisiana Corporation **Franchise Tax** Return for **2013** or Fiscal Year
Begun _____ , 2012	Begun _____ , 2013
Ended _____ , 2013	Ended _____ , 2014
Calendar year returns are due **April 15.** See instructions for fiscal years.	
○ Final return	Mark the appropriate circle for Short period or Final return.
○ Short period return	

Mark circle if:

▶ ○ Name change.

▶ ○ Amended return.

▶ ○ Entity is not required to file franchise tax.

▶ ○ First time filing of this form.

Legal Name		
Trade Name		
Address		
City	State	ZIP

Print the corporation's name and complete mailing address above.

A.	Federal Employer Identification Number	A. ▶		
B.	Federal taxable income	B. ▶		00
C.	Federal income tax	C. ▶		00
D.	Income tax apportionment percentage (two decimal places)	D. ▶	.	%
E.	Gross revenues	E. ▶		00
F.	Total assets	F. ▶		00
G.	NAICS code	G. ▶		
H.	Was the income of this corporation included in a consolidated federal income tax return?	H. ▶	Yes ☐ No ☐	
I.	Is CIFT-620A, Apportionment and Allocation Schedules included with this return?	I. ▶	Yes ☐ No ☐	
J.	Do the books of the corporation contain intercompany debt?	J. ▶	Yes ☐ No ☐	

Computation of Income Tax

1A.	Louisiana net income before loss adjustments and federal income tax deduction – From either CIFT-620 Schedule D, Line 13 OR from CIFT-620A Schedule P, Line 31	1A. ▶		00
1B.	Subchapter S corporation exclusion – See instructions, page 16. Attach schedule.	1B. ▶		00
1C.	Loss carryforward [$ .00] less federal tax refund applicable to loss [$ .00] Attach schedule.	1C. ▶		00
1D.	Loss carryback [$ .00] less federal tax refund applicable to loss [$ .00] Attach schedule.	1D. ▶		00
1E.	Federal income tax deduction – See instructions, page 16.	1E. ▶		00
1E1.	Federal Disaster Relief Credits – See instructions, page 17.	1E1. ▶		00
1F.	Louisiana taxable income – Subtract Lines 1B, 1C, 1D, and 1E from Line 1A.	1F. ▶		00
2.	Louisiana income tax – From CIFT-620 Schedule E, Line 4	2. ▶		00
3.	Total nonrefundable income tax credits – From CIFT-620 Schedule NRC, Line 10	3. ▶		00
4.	Income tax after nonrefundable credits – Subtract Line 3 from Line 2.	4. ▶		00
5.	Estimated tax payments – From CIFT-620 Schedule I, Line 7	5. ▶		00
6.	Amount of income tax due or overpayment – Subtract Line 5 from Line 4.	6. ▶		00

✱Complete the following page, sign and date return and remit any amount due shown on Line 25. Do not send cash.

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Field flag ☐☐☐☐☐☐ ☐ ☐

2209

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Computation of Franchise Tax			
7A. Total capital stock, surplus, & undivided profits – From CIFT-620 Schedule A-1, Line 18.	7A. ▶		00
7B. Franchise tax apportionment percentage – From CIFT-620A Schedule N, either Line1D OR Line 4 – Percentage must be carried out to 2 decimal places. Do not exceed 100.00%.	7B. ▶	.	%
7C. Franchise taxable base – Multiply Line 7A by Line 7B.	7C. ▶		00
8. Amount of assessed value of real and personal property in Louisiana in 2012	8. ▶		00
9. Louisiana franchise tax – From CIFT-620 Schedule F, Line 6	9. ▶		00
10. Total nonrefundable franchise tax credits – From CIFT-620 Schedule NRC, Line 11	10. ▶		00
11. Franchise tax after nonrefundable credits – Subtract Line 10 from Line 9.	11. ▶		00
12. Previous payments	12. ▶		00
13. Amount of franchise tax due or overpayment – Subtract Line 12 from Line 11.	13. ▶		00
Net Amount Due			
14. Total income and franchise tax due or overpayment – Add Lines 6 and 13.	14. ▶		00
15. Louisiana Citizens Insurance Credit – See instructions, page 17.	15. ▶		00
15A. Other refundable credits – From Schedule RC, Line 6	15A. ▶		00
15B. Subtotal – Add Lines 15 and 15A and print the result.	15B. ▶		00
16. Net income and franchise taxes **overpayment.** – See instructions, page 17.	16. ▶		00
17. Amount of overpayment you want to donate to The Military Family Assistance Fund	17. ▶		00
18. Amount of **overpayment** you want **Refunded**	18. ▶		00
19. Amount of **overpayment** you want **Credited** to 2013	19. ▶		00
20. Amount due – If Line 14 is greater than Line 15B, subtract Line 15B from Line 14 and print the result.	20. ▶		00
21. Delinquent filing penalty – See instructions, page 17.	21. ▶		00
22. Delinquent payment penalty – See instructions, page 17.	22. ▶		00
23. Interest – See instructions, page 17.	23. ▶		00
24. Additional donation to The Military Family Assistance Fund	24. ▶		00
25. Total amount due – Add Lines 20 through 24.	25. ▶		00

Make payment to Louisiana Department of Revenue. DO NOT SEND CASH.

You can pay your taxes online at: *www.revenue.louisiana.gov/fileonline.*

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

Print name of officer

Signature of officer

Title of officer

( ) Telephone

Date

Signature of preparer

Firm name

( ) Telephone

Date

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Schedule NRC – Nonrefundable Tax Credits, Exemptions, and Rebates

Description	Code	Corporation Income Tax (A)		Corporation Franchise Tax (B)	
1. ▶			00		00
2. ▶			00		00
3. ▶			00		00
4. ▶			00		00
5. ▶			00		00
6. ▶			00		00
7. ▶			00		00
8. ▶			00		00
9. ▶			00		00
10. Total Income Tax Credits: Add credit amounts in Column A. Print here and on CIFT-620, Line 3. ▶			00		
11. Total Franchise Tax Credits: Add credit amounts in Column B. Print here and on CIFT-620, Line 10. ▶					00

For further information about these credits, please see instructions beginning on page 18.

Description	Code
Premium Tax	100
Bone Marrow	120
Nonviolent Offenders	140
Qualified Playgrounds	150
Debt Issuance	155
Contributions to Educational Institutions	160
Donations to Public Schools	170
Donations of Materials, Equipment, Advisors, Instructors	175

Description	Code
Other	199
Atchafalaya Trace	200
Previously Unemployed	208
Recycling Credit	210
Basic Skills Training	212
Dedicated Research	220
New Jobs Credit	224
Refunds by Utilities	226
Eligible Re-entrants	228
Neighborhood Assistance	230
Cane River Heritage Area	232

Description	Code
La Community Economic Dev	234
Apprenticeship	236
Ports of Louisiana Investor	238
Ports of Louisiana Import Export Cargo	240
Motion Picture Investment	251
Research and Development	252
Historic Structures	253
Digital Interactive Media	254
Motion Picture Resident	256
Capital Company	257

Description	Code
LCDFI Credit	258
New Markets	259
Brownfields Investor	260
Motion Picture Infrastructure	261
Angel Investor	262
Other	299
Biomed/University Research	300
Tax Equalization	305
Manufacturing Establishments	310
Enterprise Zone	315
Other	399

Schedule RC – Refundable Tax Credits and Rebates

Description	Code	Amount of Credit Claimed	
1. ▶	F		00
2. ▶	F		00
3. ▶	F		00
4. ▶	F		00
5. ▶	F		00
6. Total: Add lines 1 through 5. Print the result here and on CIFT-620, Line 15A. ▶			00

For further information about these credits, please see instructions beginning on page 20.

Description	Code
Inventory Tax	50F
Ad Valorem Natural Gas	51F
Ad Valorem Offshore Vessels	52F
Telephone Company Property	54F
Prison Industry Enhancement	55F
Urban Revitalization	56F

Description	Code
Mentor-Protégé	57F
Milk Producers	58F
Technology Commercialization	59F
Angel Investor	61F
Musical and Theatrical Production	62F

Description	Code
Wind and Solar Energy Systems	64F
School Readiness Child Care Provider	65F
School Readiness Business - Supported Child Care	67F
School Readiness Fees and Grants to Resource and Referral Agencies	68F

Description	Code
Sugarcane Trailer Conversion	69F
Retention and Modernization	70F
Conversion of Vehicle to Alternative Fuel	71F
Research and Development	72F
Digital Interactive Media and Software	73F
Other Refundable	80F

Print your LA Revenue Account Number here. ▶ _____

All applicable schedules must be completed.

Schedule A – Balance Sheet		
ASSETS	**1. Beginning of year**	**2. End of year**
1. Cash		
2. Trade notes and accounts receivable		
3. Reserve for bad debts	( )	( )
4. Inventories		
5. Investment in United States government obligations		
6. Other current assets – Attach schedule.		
7. Loans to stockholders		
8. Stock and obligations of subsidiaries		
9. Other investments – Attach schedule.		
10. Buildings and other fixed depreciable assets		
11. Accumulated amortization and depreciation	( )	( )
12. Depletable assets		
13. Accumulated depletion	( )	( )
14. Land		
15. Intangible assets		
16. Accumulated amortization	( )	( )
17. Other assets – Attach schedule.		
18. Excessive reserves or undervalued assets – Attach schedule.		
19. Totals – Add Lines 1 through 18.		
Liabilities and Capital		
20. Accounts payable		
21. Mortgages, notes, and bonds payable one year old or less at balance sheet date and having a maturity of one year or less from original date incurred		
22. Other current liabilities – Attach schedule.		
23. Loans from stockholders – Attach schedule.		
24. Due to subsidiaries and affiliates		
25. Mortgages, notes, and bonds payable more than one year old at balance sheet date or having a maturity of more than one year from original date incurred		
26. Other liabilities – Attach schedule.		
27. Capital stock: a. Preferred stock		
b. Common stock		
28. Paid-in or capital surplus		
29. Surplus reserves – Attach schedule.		
30. Earned surplus and undivided profits		
31. Excessive reserves or undervalued assets		
32. Totals – Add Lines 20 through 31.		

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For Schedule A-1 see Revenue Ruling 06-010.

All applicable schedules must be completed. Complete Lines 1 through 11 only if there is an end of year balance in the "Due to Subsidiaries and Affiliates" account or an **equivalent account** on the books of the corporation. All corporations must complete Lines 12 through 18.

Schedule A-1 Computation of Franchise Tax Base		
1. Capital Stock:		
1A. Common Stock – Include paid-in or Capital Surplus		00
1B. Preferred Stock – Include paid-in or Capital Surplus		00
2. Total Capital stock – Add Lines 1A and 1B.		00
3. Surplus and undivided profits		00
4. Surplus reserves – Include any excessive reserves or undervalued assets.		00
5. Total – Add Lines 2, 3, and 4.		00
6. Due to subsidiaries and affiliates (Do not net with receivables)		00
7. Deposit liabilities to affiliates – Included in the amount on Line 6		00
8. Accounts payable less than 180 days old – Included in the amount on Line 6		00
9. Adjusted debt to affiliates – Subtract Lines 7 and 8 from Line 6.		00
10A. If Line 9 is greater than zero, AND Line 5 is greater than or equal to zero, subtract Line 5 from Line 9. If both conditions of this line do not apply, skip to Line 10B.		00
10A1. If Line 10A is less than zero, print zero on Line 11 and Line 17. If Line 10A is greater than zero, multiply Line 10A by 50 percent and print this amount on Line 11 and Line 17. This amount must be included in the base.		
10B. If Line 9 is greater than zero, AND Line 5 is less than or equal to zero, subtract Line 5 from Line 9. Multiply the difference by 50 percent and print the result here.		00
10B1. Print the lesser of Line 9 or Line 10B on Line 11 and Line 17. If Line 9 equals Line 10B, print that amount on Line 11 and on Line 17.		
11. Additional Surplus and Undivided Profits from either Line 10A1 or 10B1.		00
Total Franchise Taxable Base		
12. Capital Stock: Common Stock		
Preferred Stock		
13. Paid-in or capital surplus – Include items of paid-in capital in excess of par value.		
14. Surplus reserves – Attach schedule.		
15. Earned surplus and undivided profits		
16. Excessive reserves or undervalued assets		
17. Additional surplus and undivided profits – From Line 11 above		
18. Total capital, surplus and undivided profits – Add Lines 12 through 17. Also print the total on CIFT-620, Line 7A. Round to the nearest dollar.		

Note*:* All accounts on the books of the corporation should be reviewed to determine if an account is an item of capital, surplus or undivided profits. All items of capital, surplus and undivided profits must be included in the franchise taxable base. See Revenue Information Bulletin 06-026.

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All applicable schedules must be completed.

Schedule C – Analysis of Schedule A, Line 30, Column 2 – Earned surplus and undivided profits per books			
1. Balance at beginning of year		5. Distributions: a. Cash	
2. Net income per books		b. Stock	
3. Other increases – Itemize.		c. Property	
		6. Other decreases – Itemize.	
		7. Total – Add Lines 5 and 6.	
4. Total – Add Lines 1, 2, and 3.		8. Balance at end of year – Subtract Line 7 from Line 4.	

Schedule D – Computation of Louisiana Taxable Income Schedule D need not be completed if Form CIFT-620A, Schedule P is filed with this return.	
1. Federal taxable income	
Additions to Federal Taxable Income	
2. Net operating loss deduction claimed on federal return	
3. Dividends received deduction claimed on federal return	
4. Louisiana income tax deducted on federal return	
5. Other additions to federal taxable income – Attach schedule.	
6. Total additions – Add Lines 2 through 5.	
Subtractions from Federal Taxable Income	
7. Refunds of Louisiana income tax reported on federal return	
8. Louisiana depletion in excess of federal depletion – Attach schedule.	
9. Expenses not deducted on the federal return due to Internal Revenue Code Section 280(C)	
10. Road Home – The amount included in federal taxable income.	
11. Other subtractions – Attach schedule.	
12. Total subtractions – Add Lines 7 through 11.	
13. Louisiana net income before S corporation exclusion, loss adjustments, and federal income tax deduction – Add the amount on Line 1 to the amount on Line 6, and subtract the amount on Line 12. Round to the nearest dollar. Print here and on CIFT-620, Line 1A.	

Schedule B omitted on purpose.

Print your LA Revenue Account Number here. ▶ _____

All applicable schedules must be completed.

Schedule E – Calculation of Income Tax			
1. Print the amount of net taxable income from CIFT-620, Line 1F.			
2. Calculation of tax	**Column 1** Net income in each bracket	**RATE**	**Column 2** TAX
a. First $25,000 of net taxable income		x 4% =	
b. Next $25,000		x 5% =	
c. Next $50,000		x 6% =	
d. Next $100,000		x 7% =	
e. Over $200,000		x 8% =	
3. Add the amounts in Column 1, Lines 2a through 2e and print the result.			
4. Add the amounts in Column 2, Lines 2a through 2e. Round to the nearest dollar. Print the result in Column 2 and on CIFT-620, Line 2.			

Schedule F – Calculation of Franchise Tax	
1. Print the amount from CIFT-620, Line 7C or Line 8, whichever is greater.	
2. Print the amount of Line 1 or $300,000, whichever is less.	
3. Multiply the amount on Line 2 by $1.50 for each $1,000 or major fraction and print the result.	
4. Subtract Line 2 from Line 1 and print the result.	
5. Multiply the amount on Line 4 by $3.00 for each $1,000 or major fraction and print the result.	
6. Add Lines 3 and 5. Round to the nearest dollar. Print the result here and on CIFT-620, Line 9.	

Schedule G – Reconciliation of Federal and Louisiana Net Income Schedule G is required if Form CIFT-620A, Apportionment and Allocation Schedules are filed with this return. **Important! See R.S. 47:287.71 and R.S. 47:287.73 for information.**	
1. Print the total net income calculated under federal law before special deductions.	
2. **Additions to federal net income:**	
a. Louisiana income tax	
b.	
c.	
d.	
e.	
f.	
Subtractions from federal net income:	
a. Dividends	
b. Interest	
c. Road Home – The amount included in federal taxable income	
d.	
e.	
f.	
3. Louisiana net income from all sources – The amount should agree with Form CIFT-620A, Schedule P, Line 26.	

Print your LA Revenue Account Number here. ▶ _____

All applicable schedules must be completed.

Schedule H – Reconciliation of Income Per Books with Income Per Return

1. Net income per books		7. Income recorded on books this year, but not included in this return – Itemize.	
2. Louisiana income tax			
3. Excess of capital loss over capital gains			
4. Taxable income not recorded on books this year – Itemize.			
		8. Deductions in this tax return not charged against book income this year:	
		a. Depreciation	
		b. Depletion	
5. Expenses recorded on books this year, but not deducted in this return:		c. Other	
a. Depreciation			
b. Depletion			
c. Other			
		9. Total – Add Lines 7 and 8.	
		10. Net income from all sources per return – Subtract Line 9 from Line 6.	
6. Total – Add Lines 1 through 5.			

Schedule I – Summary of Estimated Tax Payments

	Check number	Date	Amount
1. Credit from prior year return			
2. First quarter estimated payment			
3. Second quarter estimated payment			
4. Third quarter estimated payment			
5. Fourth quarter estimated payment			
6. Payment made with extension request			
7. Total – Add Lines 1 through 6.			

Additional Information Required

1. Indicate principal place of business. _____
2. Describe the nature of your business activity and specify your principal product or service, both in Louisiana and elsewhere.

   Louisiana:

   _____

   _____

   _____

   Elsewhere:

   _____

   _____

   _____
3. Indicate the date and state of incorporation. _____
4. Indicate parishes in which property is located.

   _____

   _____

   _____
5. At the end of the tax year, did you directly or indirectly own 50% or more of the voting stock of any corporation or an interest of any partnership, including any entity treated as a corporation or partnership?

   ☐ Yes ☐ No

   If "yes," show name, address, and percentage owned.

   _____

   _____

   _____

   _____

   _____
6. At the end of the tax year, did any corporation, individual, partnership, trust, or association directly or indirectly own 50% or more of your voting stock? ☐ Yes ☐ No

   If "yes," show name, address, and percentage owned.

   _____

   _____

   _____

Corporation Apportionment and Allocation Schedules

COMPLETE ALL APPLICABLE SCHEDULES.

CIFT-620A (1/13)

Print your LA Revenue Account Number here. ▶ _____

Name as shown on CIFT-620	Income taxable period covered

Schedule M - Computation of Corporate Franchise Tax and Income Tax Property Ratios

	Located everywhere		Located in Louisiana		
			Franchise tax property factor	Income tax property factor	
1. Items	2. Beginning of year	3. End of year	4. End of year	5. Beginning of year	6. End of year
Intangible assets					
1. Cash					
2. Notes and accounts receivable					
3. Reserve for bad debts	( )	( )	( )		
4. Investment in U.S. govt. obligations					
5. Stock and obligations of subsidiaries					
6. Other investments – Attach schedule					
7. Loans to stockholders					
8. Other intangible assets – Attach schedule.					
9. Accumulated depreciation	( )	( )	( )		
10. Total intangible assets – Add Lines 1-9					
Real and tangible assets					
11. Inventories					
12. Bldgs. and other depreciable assets					
13. Accumulated depreciation	( )	( )	( )	( )	( )
14. Depletable assets					
15. Accumulated depletion	( )	( )	( )	( )	( )
16. Land					
17. Other real & tangible assets – Attach sch.					
18. Excessive reserves, assets not reflected on books, or undervalued assets					
19. Total real and tangible assets – Add Lines 11 through 18					
20. **Total assets – Add Lines 10 and 19.**					
21. Print the amount **from Line 19** above					
22. Less real and tangible assets **not** used in production of net apportionable income – Attach schedule.					
23. Balance - Subtract Line 22 from Line 21					
24. Beginning of year balance					
25. Total – Add Lines 23 and 24					
26. Franchise tax property ratio (Line 20, Column 4 ÷ Line 20, Column 3)			___ ___ ___ . ___ ___ %		
27. Income tax property ratio (Line 25, Column 6 ÷ Line 25, Column 3)					___ ___ ___ . ___ ___ %

Schedule N - Computation of Corporate Franchise Tax Apportionment Percentage

1. Description of items used as ratios	2. Total amount	3. Louisiana amount	4. Percent (Col. 3 ÷ Col. 2)
1. Net sales of merchandise, charges for services, and other revenues			
A. Sales – See instructions, page 23.			
B. Charges for services – See instructions, page 24.			
C. Other Revenues – See instructions, page 24.			
(i) Rents and royalties			
(ii) Dividends and interest from subsidiaries			
(iii) Other dividends and interest			
(iv) All other revenues			
D. Total – Add the amounts in Columns 2 and 3. Calculate the ratio and print the result in Column 4. For taxpayers whose primary business is manufacturing, use this apportionment ratio. See instructions, page 24.			___ ___ ___ . ___ ___ %
2. Franchise tax property ratio – Print in Column 4 the percentage from Schedule M, Line 26			___ ___ ___ . ___ ___ %
3. Total of applicable percents in Column 4			___ ___ ___ . ___ ___ %
4. Average of percents – Divide Line 3 by applicable number of ratios. Print here and on CIFT-620, Line 7B			___ ___ ___ . ___ ___ %

For Manufacturers
This is your apportionment ratio. Print here and on Line 7B of CIFT-620. Do NOT proceed further.

Print your LA Revenue Account Number here. ▶ _____

Schedule P - Computation of Louisiana Net Income

Column 3 must be completed. Column 2 must also be completed if the separate accounting method is used. Those corporations employing the separate accounting method should review R.S. 47:287.94(H) for guidance.

1. Items	2. LA amounts (Lines 1 through 25)	3. Totals
1. Gross receipts _____ Less returns and allowances _____		
2. Less: Cost of goods sold and/or operations – Attach schedules.		
3. Gross profit		
4. Gross rents		
5. Gross royalties		
6. Income from estates, trusts, partnerships		
7. Income from construction, repair, etc.		
8. Other income – Attach schedule.		
9. Total income – Add Lines 3 through 8.		
10. Compensation of officers		
11. Salaries and wages (not deducted elsewhere)		
12. Repairs – Do not include cost of improvements or capital expenditures.		
13. Bad debts		
14. Rent		
15. Taxes – Attach schedule.		
16. Interest		
17. Contributions		
18. Depreciation – Attach schedule.		
19. Depletion – Attach schedule.		
20. Advertising		
21. Pension, profit sharing, stock bonus, and annuity plans		
22. Other employee benefit plans		
23. Other deductions – Attach schedule.		
24. Total deductions – Add Lines 10 through 23.		
25. Net income from Louisiana sources – If separate (direct) method of reporting is used, print here and on Line 31.		
26. Net income from all sources – Subtract Column 3, Line 24 from Column 3, Line 9.		
27. Allocable income from all sources – See instructions, page 25. Attach schedule supporting each amount.		
A. Net rents and royalties from immovable or corporeal movable property		
B. Royalties from the use of patents, trademarks, etc.		
C. Income from estates, trusts, and partnerships		
D. Income from construction, repair, etc.		
E. Other allocable income – See instructions, page 25.		
28. Net income subject to apportionment – Subtract Line 27E, Column 3 from Line 26, Column 3.		
29. Net income apportioned to Louisiana – See instructions, page 25.		
30. Allocable income from Louisiana sources – See instructions, page 26. Attach schedule supporting each amount.		
A. Net rents and royalties from immovable or corporeal movable property		
B. Royalties from the use of patents, trademarks, etc.		
C. Income from estates, trusts, and partnerships		
D. Income from construction, repair, etc.		
E. Other allocable income – See instructions, page 26.		
31. Louisiana net income before loss adjustments and federal income tax deduction – Add Column 3, Line 29 to Column 3, Line 30E. Print the result or the amount on Line 25, whichever is applicable, here and on Form CIFT-620, Line 1A. Round to the nearest dollar.		

Schedule Q - Computation of Income Tax Apportionment Percentage

1. Description of items used as ratios	2. Total amount	3. Louisiana amount	4. Percent (Col. 3 ÷ Col. 2)
1. Net sales of merchandise and/or charges for services			
A. Sales – See instructions, page 26			
B. Charges for services – See instructions, page 26			
C. Other gross apportionable income			
D. Total – Add the amounts in Columns 2 and 3. Calculate the ratio and print the result in Column 4. For taxpayers whose primary business is manufacturing or merchandising, use this apportionment ratio. See instructions, page 26			__ __ __ . __ __ %
2. Wages, salaries, and other personal service compensation paid during the year – Print the amounts in Column 2 and Column 3. Calculate the ratio and print the result in Column 4.			__ __ __ . __ __ %
3. Income tax property ratio – Print percentage from Schedule M, Line 27			__ __ __ . __ __ %
4. Total of percents in Column 4			__ __ __ . __ __ %
5. Average of percents – Multiply this result by the amount on Schedule P, Line 28 to determine the amount of Louisiana apportionable income.			__ __ __ . __ __ %

For Manufacturers or Merchandisers. This is your apportionment ratio. Use this result in determining income apportioned to Louisiana on Line 29, Sch. P above. Do NOT proceed further.

GENERAL INFORMATION

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This space on the first page of the tax return is to be used only when specifically instructed by LDR. Otherwise, leave blank.

IMPORTANT
The Louisiana Revenue Account Number **must appear** on each page of the return. Failure to provide your Revenue Account Number will result in an assessment for negligence penalty. The FEIN cannot be used in place of the Revenue Account Number.

PLEASE COMPLETE ALL APPLICABLE LINES AND SCHEDULES OF THE RETURN.

Failure to furnish complete information will cause processing of the return to be delayed and may necessitate a manual review of the return.

Every corporation should retain, for inspection by a revenue auditor, working papers showing the balance in each account on the corporation's books used in preparing the return until the taxes to which they relate have prescribed. When the corporation incurs a net operating loss, the working papers should be retained until such time that the net operating loss has prescribed.

WHO MUST FILE?
DOMESTIC CORPORATIONS – Corporations organized under the laws of Louisiana must file Form CIFT-620, Louisiana Income Tax and Louisiana Corporation Franchise Tax return each year unless exempt from both taxes.

Corporation franchise tax for domestic corporations continues to accrue, regardless of whether any assets are owned or any business operations are conducted, until a "Certificate of Dissolution" is issued by the Louisiana Secretary of State.

FOREIGN CORPORATIONS – Corporations organized under the laws of a state other than Louisiana that derive income from Louisiana sources must file Form CIFT-620 whether or not there is any tax liability.

A foreign corporation is subject to the franchise tax if it meets any one of the criteria listed below:

1. Qualifying to do business in Louisiana or actually doing business within this state; or,
2. Exercising or continuing the corporate charter within this state; or,
3. Owning or using any part or all of the corporate capital, plant, or other property in this state in a corporate capacity.

A corporation will be subject to the franchise tax if it meets the above criteria, even if it is not required to pay income tax under Federal Public Law 86-272.

Corporation franchise tax for foreign corporations continues to accrue as long as the corporation exercises its charter, does business, or owns or uses any part of its capital or plant in Louisiana, and in the case of a qualified corporation, until a "Certificate of Withdrawal" is issued by the Louisiana Secretary of State.

OTHER ENTITIES – Any entity taxed as a corporation for federal income tax purposes will also be taxed as a corporation for state income tax purposes.

For information regarding the filing requirements of single member limited liability companies (LLCs) and qualified Subchapter S subsidiaries (QSSS), see Revenue Information Bulletin 04-003 available on LDR's website.

Louisiana Revised Statutes 47:221 through 47:227 provides guidance regarding the filing requirements of insurance companies. Refer to R.S. 47:287.521, 47:287.526, 47:287.527, and 47:287.528 for information concerning the treatment of farmers' cooperatives, other cooperatives, shipowners' protection and indemnity associations, political organizations, and homeowners' associations.

CONSOLIDATED GROUPS – Louisiana law does not provide for filing consolidated returns. Generally, separate corporate income and franchise tax returns must be filed by all corporate entities liable for a Louisiana tax return.

SUBCHAPTER S CORPORATIONS – Louisiana law does not recognize Subchapter S corporation status. An S corporation is required to file in the same manner as a C corporation. However, in certain instances, all or part of the corporation income can be excluded from Louisiana tax. For information on the S corporation exclusion of net income, refer to the instructions for Line 1B.

EXEMPT CORPORATIONS – Louisiana Revised Statute 47:287.501 provides that an organization described in Internal Revenue Code Sections 401(a) or 501 shall be exempt from income taxation to the extent the organization is exempt from income taxation under federal law, unless the contrary is expressly provided. Accordingly, an exempt organization that has income from an unrelated trade or business and files Federal Form 990-T with the Internal Revenue Service is subject to file and report its Louisiana-sourced unrelated business income to Louisiana. Louisiana Administrative Code (LAC) 61:I.1140 and Revenue Information Bulletin 09-009 have been published providing guidance whereby these organizations are not exempt from taxation on the Louisiana-sourced unrelated business income or income not included under I.R.C. Sections 401(a) or 501.

To report Louisiana-sourced unrelated business income, exempt organizations are required to file Form CIFT-620SF **electronically** on LDR's website through LaTap. In instances when a multi-state exempt organization earns unrelated business income within Louisiana and outside of Louisiana, Form CIFT-620A, Schedules P and Q are also required. CIFT-401W will serve as a guide in determining the amount of Louisiana-sourced unrelated business income that the organization must report. The schedules and instructions for CIFT-620SF are available on LDR's website. It is recommended that you obtain and complete these items before starting the CIFT-620SF.

An organization claiming exemption under R.S. 47:287.501 must submit a copy of the Internal Revenue Service ruling establishing its exempt status. Refer to R.S. 47:287.501(B) for additional exemptions provided for banking corporations. Information concerning exemptions from corporate franchise tax can be found under R.S. 47:608. Those corporations that meet the prescribed standards of organization, ownership, control, sources of income, and disposition of funds must apply for and secure a ruling of exemption from the Department.

DORMANT LOUISIANA CORPORATIONS
Corporations that are 100 percent Louisiana and have no taxable income to report and have no real and personal property on which Louisiana ad valorem property tax is generally assessed may file Form CIFT-620SF. CIFT-620SF can only be filed electronically on LDR'S website through LaTap. Separate instructions and schedules for the CIFT-620SF are available on LDR's website at ***www.revenue.louisiana.gov***.

WHEN TO FILE
A 2012 calendar year return is due on or before April 15, 2013. Returns for fiscal years are due on or before the 15th day of the fourth month following the close of the taxable year. If the due date falls on a weekend or holiday, the return is due the next business day and becomes delinquent the following day.

WHERE TO FILE AND PAY TAXES
The 2012 income tax return and the 2013 franchise tax return can be mailed to Louisiana Department of Revenue, P. O. Box 91011, Baton Rouge, LA 70821-9011. DO NOT SEND CASH. An electronic payment option is available on LDR's website at ***www.revenue.louisiana.gov***.

Taxes may also be paid by credit card over the internet or by telephone. Visit www.officialpayments.com or call 1-888-2PAY-TAX (1-888-272-9829).

EXTENSION OF TIME FOR FILING A RETURN
The Secretary of the Louisiana Department of Revenue may grant an extension of time for filing the combined corporation income and franchise tax return not to exceed seven months from the date the return is due. Extensions must be filed before the due date of the return. An extension can be requested on the LDR website at *www.revenue.louisiana.gov.*

PERIODS TO BE COVERED
The return must be filed for either a calendar year, a fiscal year (12-month accounting period ending on the last day of any month other than December), or a 52 - 53 week accounting period. The dates on which the reported period begin and end must be plainly stated in the appropriate space at the top of the return. The accounting period must be the same as that used for federal income tax purposes.

RETURNS FOR PART OF THE YEAR
Mark the appropriate circle to indicate the filing of a Short period return or a Final return. Refer to the instructions for Lines 2 and 9 on Page 17 of this booklet for instructions regarding the annualization of income and the proration of franchise tax.

AMENDED RETURNS
The "AMENDED RETURN" circle on the Louisiana form should be clearly marked when filing an amended return. In order to amend the amounts reported for the computation of income or franchise taxes, the taxpayer must file a revised Form CIFT-620, along with a detailed explanation of the changes, and a copy of Federal Form 1120X, if applicable. To apply for a tentative refund resulting from the carryback of a net operating loss, use Form R-6701, CIT-624 Request for a Tentative Refund Resulting from the Election to Carryback a Net Operating Loss.

REPORT OF FEDERAL ADJUSTMENTS
R.S. 47:287.614(C) requires every taxpayer whose federal return is adjusted to furnish a statement disclosing the nature and amounts of such adjustments within 60 days after the adjustments have been made and accepted. This statement should accompany the amended return, and the circle should be marked to indicate that an amended return is being filed.

DECLARATION OF ESTIMATED TAX
R.S. 47:287.654 requires every corporation that can reasonably expect its estimated income tax for the year to be $1,000 or more to make installment payments of its liability. The term "estimated tax" means the amount the taxpayer estimates to be the Louisiana income tax imposed for the period less the amount it estimates to be the sum of any credits allowable against the tax.

See the instructions for Form CIFT-620ES regarding the penalty for underpayment or nonpayment of estimated income tax.

ROUNDING TO WHOLE DOLLARS
Round cents to the nearest whole dollar on Form CIFT-620. Total prepayments, including any credit carried forward from last year, should also be rounded to the nearest whole dollar.

ALLOCATION AND APPORTIONMENT OF NET INCOME AND FRANCHISE TAXABLE BASE
The Louisiana income tax is imposed only upon that part of the net income of a corporation that is derived from sources within Louisiana. Corporations that do business outside of Louisiana must complete Form CIFT-620A, Corporation Apportionment and Allocation Schedules, to determine the amount of Louisiana-sourced net income.

When a corporation does business within and without Louisiana, the Louisiana franchise tax is imposed only on that part of the total taxable capital that is employed in Louisiana. Such corporations must also complete Form CIFT-620A, which provides schedules for the allocation of the franchise taxable base.

INSTRUCTIONS FOR COMPLETING FORM CIFT-620

ALL TAXPAYERS ARE REQUIRED TO ANSWER LINES A-J.
For Line D, print the income tax apportionment percentage from Schedule Q, Line 1D or from Schedule Q, Line 5. For Line G, print the corporation's six digit North American Industry Classification System (NAICS) Code. If you answered yes to Line J, you must complete the top portion of Schedule A-1.

LINE 1A – LOUISIANA NET INCOME
Information regarding the computation of Louisiana net income is provided in the instructions for Form CIFT-620, Schedule D and Form CIFT-620A, Schedule P. Print the amount from Schedule D, Line 13 or Schedule P, Line 31.

LINE 1B – S CORPORATION EXCLUSION
R.S. 47:287.732(B) provides an exclusion to corporations classified as S corporations under federal law. The exclusion is determined by multiplying Louisiana net income by a ratio calculated by dividing the number of issued and outstanding shares of the S corporation's capital stock owned by Louisiana residents on the last day of the S corporation's taxable year by the total number of issued and outstanding shares of capital stock on the last day of the S corporation's taxable year. This ratio is also applicable to a Louisiana net loss to exclude a percentage of the loss from carryback or carryforward treatment. For the purposes of this provision, Louisiana residents include resident estates and trusts and resident and nonresident individual shareholders who have filed a correct and complete Louisiana income tax return and paid the tax due.

A SCHEDULE SHOWING THE CALCULATION OF THE EXCLUSION MUST BE ATTACHED TO THE RETURN.
A list of all shareholders of the corporation, designating those who report the S corporation income on a Louisiana tax return must be included when filing a return. The shareholder information must include the name, the address, and Social Security Number of the shareholder, the number of shares held on the last day of the taxable year, and the amount of the distributive share of S corporation net income for each shareholder.

LINES 1C AND 1D – NET OPERATING LOSS CARRYFORWARD OR CARRYBACK
To apply for a tentative refund resulting from the carryback of a net operating loss, use Form R-6701, CIT-624 Request for a Tentative Refund Resulting from the Election to Carryback a Net Operating Loss. The amount of net loss may be carried back to each of the three taxable years that precede the taxable year of such loss and/or forward 15 years immediately following the year in which the loss occurred. A schedule showing the calculation of the loss carryforward or the loss carryback must be attached to the return. A net operating loss generated after a reorganization cannot be carried back to a corporation that does not survive the reorganization. See R.S. 47:287.86(I).

In the case where a federal tax refund or credit arises from the carryback or carryforward of a federal net operating loss, the Louisiana net operating loss must be reduced by the amount of the federal tax refund or credit that applies to the federal income tax deducted on the prior Louisiana return. In calculating the federal tax refund applicable to the loss, consideration must be given to the total federal refund or credit received from all prior periods, including the refund or credit resulting from the investment tax credit carryback. The amount of the refund or credit applicable to Louisiana is determined by multiplying the total refund or credit by a ratio obtained by dividing the federal tax deducted on the original Louisiana return by the total federal tax on the original federal tax return.

In the event that there is no carryback or carryforward of a net operating loss for federal purposes, the federal income tax deduction should be recomputed to reflect the carryback or carryforward of the net operating loss, as provided in R.S. 47:287.83. The net operating loss carryback or carryforward should be used to reduce the Louisiana taxable income prior to the calculation of the ratio of Louisiana net income on a federal basis to federal net income in the computation of the federal income tax deduction.

LINE 1E – FEDERAL INCOME TAX DEDUCTION
A corporation may increase the amount of its federal income tax deduction by the amount of **Federal Disaster Relief Credits** attributable to Louisiana. To compute the federal income tax deduction allowable on the Louisiana return, refer to the worksheet and instructions provided on Pages 27 and 28, respectively. Print the amount of the corporation's federal income tax deduction found on the Federal Income Tax Deduction Worksheet, Line 14.

LINE 1E1 - FEDERAL DISASTER RELIEF CREDIT(S)
Print on Line 1E1 the amount of the corporation's federal disaster relief credits attributable to Louisiana. This amount is taken from the Federal Income Tax Deduction Worksheet, Line 13a. Attach a schedule that lists the specific federal credit and amount claimed.

LINE 2 – LOUISIANA INCOME TAX
The amount of Louisiana income tax is computed on Form CIFT-620, Schedule E.

For purposes of computing the tax due for part of a year, other than the initial or final return, Louisiana taxable income shall be placed on an annual basis by multiplying the amount of taxable income by twelve and dividing the result by the number of months included in the period for which the short period return is required or permitted. The tax on this annualized income is computed and multiplied by a fraction. The numerator of the fraction is equal to the number of months included in the period for which the short period return is being filed, and the denominator is twelve. Print the tax on Form CIFT-620, Line 2.

LINE 3 – NONREFUNDABLE INCOME TAX CREDITS
Print the amount from Schedule NRC, Line 10, Column A.

LINE 5 – LESS ESTIMATED TAX PAYMENTS
Print the amount from Schedule I, Line 7.

LINE 7A – TOTAL CAPITAL STOCK, SURPLUS, AND UNDIVIDED PROFITS
Print the amount of total franchise taxable base from Form CIFT-620, Schedule A-1, Line 18.

LINE 7B – FRANCHISE TAX APPORTIONMENT PERCENTAGE
If all of your business is conducted in Louisiana, print 100.00 percent on this Line. For corporations that do business both within and without Louisiana, complete Form CIFT-620A, Schedule N of the Apportionment and Allocation Schedule. Print on Line 7B the apportionment percentage from Schedule N, Line 1D or from Schedule N, Line 4. Carry your percentage to two decimal places.

LINE 7C – FRANCHISE TAXABLE BASE
The total amount of taxable capital attributable to Louisiana is calculated by multiplying Line 7A by Line 7B. Print the result on this line.

LINE 8 – ASSESSED VALUE OF REAL AND PERSONAL PROPERTY
R.S. 47:606(C) provides that the portion of capital stock, surplus, and undivided profits allocated for franchise taxation shall in no case be less than the total assessed value of real and personal property in this state for the calendar year preceding that in which the tax is due. The assessed value of real and personal property is generally that value determined for property tax purposes in the area where the property is located. Print the amount of assessed value of the real and personal property located in Louisiana in 2012.

LINE 9 – LOUISIANA FRANCHISE TAX
The amount of Louisiana franchise tax is computed on Form CIFT-620, Schedule F.

In the case of a return for part of the year other than the initial or final return, the franchise tax due shall be prorated. To calculate the tax due, the tax for a full year is computed and multiplied by a ratio. The numerator of the ratio is the number of months from the closing date of the prior franchise year to the closing date of the short period return filed, and the denominator is 12.

LINE 10 – NONREFUNDABLE FRANCHISE TAX CREDITS
Print the amount from Schedule NRC, Line 11, Column B.

LINE 12 – LESS PREVIOUS PAYMENTS
Print any amounts of franchise tax prepaid (e.g. paid on extension).

LINE 15 - LOUISIANA CITIZENS INSURANCE CREDIT
Print the amount of the Louisiana Citizens Property Insurance assessment that was included in your property's insurance premium. A copy of the declaration page from your premium notice must be attached to your return. For additional information regarding this credit, visit *www.revenue.louisiana.gov/citizens.*

LINE 15A - OTHER REFUNDABLE CREDITS
Print the amount from Schedule RC, Line 6.

LINE 15B - SUBTOTAL
Add Lines 15 and 15A and print the result.

LINE 16 – NET INCOME AND FRANCHISE TAXES OVERPAYMENT
Print the net **OVERPAYMENT** of income and franchise taxes on Line 16 after applying the Louisiana Citizens Insurance credit and any other refundable credits on Lines 15 and 15A, respectively against the amount shown on Line 14.

If Line 14 is equal to Line 15B, print zero on Lines 16 through 23 and go to Line 24. If Line 14 is less than Line 15B, subtract Line 14 from Line 15B and print the amount of overpayment on Line 16.

If Line 14 is greater than Line 15B, a tax amount is due to Louisiana. Print zero on Line 16 through 19 and go to Line 20.

LINE 17 – DONATION OF OVERPAYMENT TO THE MILITARY FAMILY ASSISTANCE FUND
You may donate all or part of your overpayment to The Military Family Assistance Fund. This fund provides assistance to family members of activated Louisiana military personnel.

LINE 20 - AMOUNT DUE
If Line 14 is greater than Line 15B, subtract Line 15B from Line 14 and print the result.

LINE 21 – DELINQUENT FILING PENALTY
The penalty for failure to file a return on time, except when failure is due to a reasonable cause, is 5 percent of the tax if the delay in filing is for not more than 30 days, with an additional 5 percent for each additional 30 days or fraction thereof during which the failure to file continues.

LINE 22 – DELINQUENT PAYMENT PENALTY
The penalty for failure to pay the tax in full by the date the return is required by law to be filed, determined without regard to any extension of time for filing the return, is 5 percent of the tax not paid for each 30 days, or fraction thereof, during which the failure to pay continues. Delinquent filing and delinquent payment penalties combined cannot exceed 25 percent. Please see LAC 61:III.2101.

LINE 23 – INTEREST
If your 2012 calendar year income tax amount is not paid by April 15, 2013, you will be charged interest on the unpaid tax from April 16, 2013, until the date the balance of tax due is paid. Because the interest rate varies from year to year and the interest rate for 2013 is not determined until the latter part of 2012, the Department is unable to provide a specific rate at the time of printing. Please see Form R-1111 Interest Rate Schedule Collected on Unpaid Taxes, available on LDR's website, *www.revenue.louisiana.gov/taxforms*. In order to compute the INTEREST RATE PER DAY, multiply the monthly rate by 12, divide it by 365, and carry out to seven places to the right of the decimal. Example: Assume the 2013 monthly interest rate is determined to be .4375%. Multiply .4375% times 12 = 5.25% (.0525), which equals the annual interest rate. Divide .0525 by 365, .0525/365 = .0001438, which equals the INTEREST RATE PER DAY. NOTE!! You must carry out your computation to 7 places to the right of the decimal point.

LINE 24 – DONATION TO THE MILITARY FAMILY ASSISTANCE FUND
If you do not have an overpayment to donate, or if you wish to donate to the Military Family Assistance Fund an amount that exceeds the amount of your overpayment, print the amount of the donation on Line 24.

LINE 25 – TOTAL AMOUNT DUE
Make payment to the Louisiana Department of Revenue. **Do not send cash.** Payment may also be made electronically or by credit card. See WHERE TO FILE AND PAY TAXES on Page 15.

SIGNATURES AND VERIFICATION
The return must be signed by either the president, vice-president, treasurer, assistant treasurer, or any other authorized officer. If receivers, trustees in bankruptcy, or assignees are operating the property or business of the corporation, such officials must execute the return for such corporation. Any person, firm, or corporation that prepares a taxpayer's return must also sign the return. If a return is prepared by a firm or corporation, the return must be signed in the name of the firm or corporation. This verification is not required when the return is prepared by a regular full-time employee of the taxpayer. Telephone numbers of officers and preparers should be furnished.

GENERAL INFORMATION ON ALL CREDITS

R.S. 47:1675 provides for general rules governing the application of tax credits. Credits should be applied in numerical order using the codes provided below. For all credits, you must attach documentation that substantiates the credit, rebate, or tax equalization contract. Revenue Information Bulletins are posted on the LDR website *www.revenue.louisiana.gov/policies* under Policy Documents.

INSTRUCTIONS FOR NONREFUNDABLE CREDITS, SCHEDULE NRC

Below is a list of nonrefundable credits available for the taxable year ended December 31, 2012, for Louisiana Corporate Income and Corporate Franchise taxes. For credits against the corporate income tax, print the credit description, identifying code, and the dollar amount claimed in the appropriate spaces on Lines 1 through 9 of Column A. For credits against the corporate franchise tax, print the credit description, identifying code, and the dollar amount claimed in the appropriate spaces on Lines 1 through 9 of Column B. **NOTE: Use only the codes referenced in the table of Schedule NRC. The codes listed here are not interchangeable with other codes listed in this booklet.**

Example:

Credit Description	Code	Amount of Credit Claimed
Dedicated Research	220	500.00

LINE 10 – TOTAL INCOME TAX CREDITS

Add Lines 1 through 9 of Column A and print the result on CIFT-620, Line 3.

LINE 11 – TOTAL FRANCHISE TAX CREDITS

Add Lines 1 through 9 of Column B and print the result on CIFT-620, Line 10.

CODE

100 - Premium Tax — R.S. 47:227 provides a credit allowable against corporate income tax for premium taxes paid during the preceding twelve months by an insurance company authorized to do business in Louisiana. A copy of the premium tax return and cancelled checks in payment of the tax must be attached to the return.

120 - Bone Marrow — R.S. 47:287.758 provides a credit against corporate income tax to employers, authorized to do business in the state, who incur bone marrow donor expense by developing a bone marrow donation program, educating employees related to bone marrow, making payments to a health care provider for determining tissue types of potential donors, paying wages to an employee for time related to tissue typing and bone marrow donation, etc. The wage expense used to obtain the credit cannot be deductible as an expense for income tax purposes. The amount of the credit is equal to 25 percent of the bone marrow donor expense paid or incurred by the employer during the tax year.

140 - Nonviolent Offenders — R.S. 47:287.752 provides a credit against corporate income tax for an entity who provides full-time employment to an individual who has been convicted of a first-time nonviolent offense, has completed a court-ordered program certified by the employee's probation officer, and has worked 180 days. A statement signed by both the employer and employee certifying the employee's full-time work status for the year must be attached to the return.

150 - Qualified Playgrounds — R.S. 47:6008 provides a credit for donations to assist qualified playgrounds. The credit is for the lesser of $1,000 or one-half of the value of the cash, equipment, goods, or services donated. For more information on this credit, see Revenue Ruling No. 02-020 posted on LDR's website.

155 - Debt Issuance — R.S. 47: 6017 provides a credit against corporate income tax or corporate franchise tax for the filing fee paid to the Louisiana State Bond Commission, which is incurred by an economic development corporation in the preparation and issuance of bonds. Please contact the Department for additional information regarding this credit.

CODE

160 - Contributions to Educational Institutions — R.S. 47:37 and R.S. 47:287.755 provide a credit of 40 percent of the value of tangible property of a sophisticated and technical nature to educational institutions in the State of Louisiana to be applied against corporate income tax. The institution that receives the donation must furnish to the donor or seller a certification of such donation, contribution, or sale below cost, which shall include the date and the value of other property donated, contributed, or sold.

170 - Donations to Public Schools — R.S. 47:6013 provides a credit against corporate income tax or corporate franchise tax for qualified donations made to a public school. The credit is equal to 40 percent of the appraised value of a qualified donation of property made to a public school. "Public school" is defined as a public elementary or secondary school. "Qualified donation" is defined as a donation of immovable property purchased or otherwise acquired by a corporation and donated to a public school immediately adjacent or contiguous to such property. Please contact the Department for additional information regarding this credit.

175 - Donations of Materials, Equipment, Advisors, Instructors — R.S. 47:6012 provides a credit against corporate income tax or corporate franchise tax for employers within the state for donations of the latest technology available of materials, equipment, or instructors to public training providers, secondary and postsecondary vocational-technical schools, apprenticeship programs registered with the Louisiana Workforce Commission, or community colleges to assist in the development of training programs designed to meet industry needs. The credit is equal to 50 percent of the value of the donated materials, equipment, or services rendered by the instructor. When taken with other applicable credits, this credit cannot exceed 20 percent of the employer's tax liability for any taxable year.

199 - Other — Reserved for Future Credits

200 - Atchafalaya Trace — R.S. 25:1226.4 provides a credit against corporate income tax or corporate franchise tax to certain heritage-based cottage industries that have entered into a contract with the State Board of Commerce and Industry. A copy of the contract must be attached to the return.

208 - Previously Unemployed — R.S. 47:6004 provides a credit against corporate income tax or corporate franchise tax for hiring a previously unemployed person who participates in the Family Independence Work Program in a newly created full-time job.

210 - Recycling Credit — R.S. 47:6005 provides a credit against corporate income or corporate franchise tax for the purchase of certain equipment or service contracts related to recycling. The credit must be certified by the Louisiana Department of Environmental Quality and a copy of the certification must be attached to the return.

212 - Basic Skills Training — R.S. 47:6009 provides a credit against corporate income tax or corporate franchise tax for employers who pay for training to bring employees' reading, writing, or mathematical skills to at least the 12th grade level. The credit is limited to $250 per participating employee, not to exceed $30,000 for the tax year.

CODE

220 - Dedicated Research — R.S. 51:2203 provides a credit against corporate income tax of 35 percent of a cash donation of $200,000 or more to the Dedicated Research Investment Fund, which is administered by the Louisiana Board of Regents. The Board of Regents must certify to the Department of Revenue that the taxpayer is qualified for the credit, and a copy of the certification must be attached to the return.

224 - New Jobs Credit — R.S. 47:34 and R.S. 47:287.749 provide a credit against corporate income tax to employers who establish or expand a business in the state. A schedule that includes the calculation of the credit must be attached to the return and must also include the name, address, and Social Security Number of each new employee; highest number of full-time and qualified part-time employees during the previous year; highest number of full-time and part-time employees during the current year; number of new employees hired for new jobs created during this taxable year; and the amount of credit carried forward from the previous year.

226 - Refunds by Utilities — R.S. 47: 287.664 provides a credit against corporate income tax for certain court ordered refunds made by utilities to its customers.

228 - Eligible Re-entrants — R.S. 47:287.748 provides a credit against corporate income tax to encourage the employment in full-time jobs in the state of Louisiana of re-entrants who have been convicted of a felony and who have successfully completed the Intensive Incarceration Program as provided for in R.S. 15:574.4. For additional information, please contact the Department.

230 - Neighborhood Assistance — R.S. 47:35 and R.S. 47:287.753 provide a credit against corporate income tax for an entity engaged in the activities of providing neighborhood assistance, job training, education for individuals, community services, or crime prevention in Louisiana. The credit is for up to 70 percent of the amount contributed for investment in programs approved by the Commissioner of Administration and the credit shall not exceed $250,000 annually.

232 - Cane River Heritage — R.S. 47:6026 provides a credit against corporate income tax or corporate franchise tax for a heritage-based cottage industry located or to be located in the Cane River Heritage Area Development Zone. The taxpayer must enter into a contract with the Department of Culture, Recreation, and Tourism, and a copy of the contract must be attached to the return.

234 - LA Community Economic Development — R.S. 47:6031 provides a credit against corporate income tax or corporate franchise tax for money donated, contributed, or represented by a sale below cost by the taxpayer to a certified community development corporation or a certified community development financial institution. The credit must be certified and approved by the Department of Economic Development, and a copy of the certification must be attached to the return.

236 - Apprenticeship — R.S. 47:6033 provides a credit against corporate income tax or corporate franchise tax to employers equal to one dollar for each hour of employment for an eligible apprentice, limited to 1,000 hours for each eligible apprentice. An eligible apprentice is a person who has entered into a written apprentice agreement with an employer or an association of employers pursuant to a registered apprenticeship program or who is enrolled in a training program accredited by the National Center for Construction Education and Research. For more information regarding this credit, please contact the Louisiana Workforce Commission.

238 - Ports of Louisiana Investor — R.S. 47:6036(C) provides a credit against corporate income tax or corporate franchise tax to encourage investment in state port facilities in Louisiana. Taxpayers must apply to the Louisiana Department of Economic Development to receive certification. A copy of the certification of the credit must be attached to the return.

CODE

240 - Ports of Louisiana Import Export Cargo — R.S. 47:6036(I) provides a credit against corporate income tax or corporate franchise tax to encourage the use of state port facilities in Louisiana. The credit is based on the number of tons of qualified cargo imported and exported from or to manufacturing, fabrication, assembly, distribution, processing or warehousing facilities located in the state. Taxpayers must apply to the Louisiana Department of Economic Development to receive certification. A copy of the certification of the credit must be attached to the return.

251 - Motion Picture Investment — R.S. 47:6007(C)(1) provides a credit against corporate income tax for taxpayers domiciled in Louisiana, other than motion picture production companies, who invest in a state-certified, motion picture production. Taxpayers taking this credit may attach Form R-10611, available on the Department's website, as documentation for this credit.

252 - Research and Development — R.S. 47:6015 provides a credit against corporate income tax or corporate franchise tax for any taxpayer who claims a federal income tax credit under 26 U.S.C. §41(a) for increasing research activities. Use this code for Research and Development credits earned for expenditures made in tax years beginning before January 1, 2009. See Revenue Information Bulletin 09-020 on LDR's website.

253 - Historic Structures — R.S. 47:6019 provides a credit against corporate income tax or corporate franchise tax if the taxpayer incurs certain expenses during the rehabilitation of a historic structure located in a Downtown Development or a cultural product district. Refer to Revenue Information Bulletin 06-002 on LDR's website.

254 - Digital Interactive Media — R.S. 47:6022 provides a credit against corporate income tax for the investment in businesses specializing in digital interactive media before January 1, 2012. See Revenue Information Bulletin 12-017 on LDR's website for more information, including whether the credit may also be applied to corporate franchise tax. Taxpayers must apply to the Louisiana Department of Economic Development to receive certification. A copy of the certification of the credit must be attached to the return.

256 - Motion Picture Employment of Resident — R.S. 47:1125.1 provides a credit against corporate income tax or corporate franchise tax for the employment of residents of Louisiana in connection with the production of a motion picture. The credit may flow to an individual via a partnership, limited liability company, Subchapter S Corporation, or other entities. Refer to Revenue Information Bulletin 05-005 on LDR's website.

257 - Capital Company — R.S.51:1924 provides a credit against corporate income tax for the investment in a certified Louisiana capital company. The credit must be approved by the Commissioner of the Office of Financial Institutions. A copy of the certification from the Office of Financial Institutions must be attached to the return.

258 - LA Community Development Financial Institution (LCDFI) — R.S. 51:3085 et seq. provides a credit against corporate income tax or corporate franchise tax for certain investments in an LCDFI to encourage the expansion of businesses in economically distressed areas. The Louisiana Office of Financial Institutions administers this program.

259 - New Markets — R.S. 47:6016 provides a credit against corporate income tax or corporate franchise tax if the taxpayer makes certain qualified low-income community investments, as defined in Section 45D of the Internal Revenue Code. The taxpayer must be certified by the Louisiana Department of Economic Development and approved by LDR. Information on the program investment limits are frequently posted as Revenue Information Bulletins on LDR's website.

CODE

260 - Brownfields Investor Credit — R.S. 47:6021 provides a credit against corporate income tax to encourage the cleanup, redevelopment, and productive reuse of brownfields in the state. The credit is obtained through the Department of Economic Development and the Department of Environmental Quality.

261 - Motion Picture Infrastructure — R.S. 47:6007(C)(2) provides a credit against corporate income tax for an approved state-certified infrastructure project for a film, video, television, or digital production or postproduction facility. Taxpayers must apply to the Louisiana Department of Economic Development to receive certification. A copy of the certification of the credit must be attached to the return. Refer to Revenue Information Bulletin 06-004 on LDR's website.

262 - Angel Investor — R.S. 47:6020 provides a credit against corporate income tax or corporate franchise tax to encourage third party investment of taxpayers who make qualified investments to certified Louisiana entrepreneurial businesses on or after January 1, 2011. To earn the Angel Investor Tax Credit, taxpayers must file an application with the Louisiana Department of Economic Development.

299 - Other — Reserved for Future Credits

300 - Biomed/University Research — R.S.17:3389 provides a credit against corporate income tax or corporate franchise tax for a company that establishes research activities in either a Biomedical or University Research and Development Park. The taxpayer must enter into a contract with the Louisiana Department of Economic Development and a copy of the contract showing the credit granted must be attached to the return.

CODE

305 - Tax Equalization — R.S. 47:3202 provides a credit against corporate income tax or corporate franchise tax for tax equalization for certain businesses locating in Louisiana. The taxpayer must enter into a contract with the Louisiana Department of Economic Development and a copy of the contract showing the credit granted must be attached to the return.

310 - Manufacturing Establishments — R.S. 47:4305 provides a credit against corporate income tax or corporate franchise tax to certain manufacturing establishments that have entered into a contract with the Louisiana Department of Economic Development. A copy of the contract showing the credit granted must be attached to the return.

315 - Enterprise Zone — R.S. 51:1782 et. seq. provide a credit against corporate income tax or corporate franchise tax for private sector investments in certain areas, which are designated as "Enterprise Zones". The taxpayer must enter into a contract with the Louisiana Department of Economic Development and a copy of the contract showing the credit granted must be attached to the return.

399 - Other — Reserved for Future Credits

INSTRUCTIONS FOR REFUNDABLE CREDITS, SCHEDULE RC

Other Refundable Tax Credits Lines 1 through 5

Below is a list of additional refundable tax credits available for the tax year ending December 31, 2012. Please print the credit description, identifying code, and the dollar amount claimed in the appropriate spaces on Lines 1 through 5.

NOTE: Use only the codes referenced in the table of Schedule RC. The codes listed here are not interchangeable with other codes listed in this booklet.

Line 6 – Other Refundable Tax Credits – Add Lines 1 through 5 and print the result on Line 6 and on Form CIFT-620, Line 15A.

CODE

50F - Inventory Tax — R.S. 47:6006 allows a refundable credit against corporate income or corporate franchise tax for 100 percent of the ad valorem taxes paid to political subdivisions in Louisiana on inventory held by manufacturers, distributors, or retailers. Both a copy of the inventory tax assessment and a copy of the cancelled check in payment of the tax must be attached to the return. Taxpayers taking this credit may attach Form R-10610, available on the Department's website. For more information see Revenue Information Bulletin 06-036.

51F - Ad Valorem Natural Gas — R.S. 47:6006 allows a refundable credit against corporate income or corporate franchise tax for 100 percent of the ad valorem taxes paid to political subdivisions in Louisiana on natural gas held, used, or consumed in providing natural gas storage services or operating natural gas storage facilities. Both a copy of the tax assessment and a copy of the cancelled check in payment of the tax must be attached to the return.

52F - Ad Valorem Offshore Vessels — R.S. 47:6006.1 allows a refundable credit against corporate income or corporate franchise tax for 100 percent of the ad valorem taxes paid on vessels in Outer Continental Shelf Lands Act Waters. The following must be attached to the return: a copy of the inventory tax assessment, a copy of the cancelled check in payment of the tax, and a copy of a completed Form LAT 11A from the Louisiana Tax Commission.

CODE

54F - Telephone Company Property — R.S. 47:6014 allows a refundable credit against corporate income or corporate franchise tax for up to 40 percent of the ad valorem taxes paid to Louisiana political subdivisions by a telephone company, with respect to that company's public service properties located in Louisiana. The credit may be passed through to individuals who are shareholders or members of certain legal entities. See Revenue Information Bulletin 01-004 on LDR's website. A schedule must be attached stating which entity paid the tax and obtained the credit on the taxpayer's behalf.

55F - Prison Industry Enhancement — R. S 47:6018 allow a refundable credit against corporate income or corporate franchise tax for purchases by a taxpayer of specialty apparel items from a private sector Prison Industry Enhancement (PIE) contractor. Contact LDR for further information regarding this credit.

56F - Urban Revitalization — R.S. 51:1801 et seq. allow a refundable credit against corporate income or corporate franchise tax for investing in certain economically depressed areas of the state. Taxpayers must apply to the Louisiana Department of Economic Development to receive certification. A copy of the certification of the credit must be attached to the return.

57F - Mentor – Protégé — R.S. 47:6027 allows a refundable credit against corporate income or corporate franchise tax for a mentor business that fulfills the terms of a Mentor-Protégé Agreement as approved by the Louisiana Department of Economic Development. A copy of the certification of the credit must be attached to the return.

58F - Milk Producers — R.S. 47:6032 allows a refundable credit against corporate income or corporate franchise tax for a resident taxpayer engaged in the business of producing milk for sale. Those milk producers that have obtained permits under the Louisiana Administrative Code, Title 51 and have met the requirements of the Food and Drug Administration shall be certified by the Department of Health and Hospitals to receive the credit. For more information see Revenue Information Bulletin 08-014 on LDR's website.

CODE

59F - **Technology Commercialization** — R.S. 51:2351 et seq. allow a refundable credit against corporate income or corporate franchise tax for a qualifying business that invests in the commercialization of Louisiana technology. Taxpayers must apply to the Louisiana Department of Economic Development to receive certification. A copy of the certification of the credit must be attached to the return.

61F - **Angel Investor** — R.S. 47:6020 allows a refundable credit against corporate income or corporate franchise tax to encourage third party investment of taxpayers who make qualified investments to certified Louisiana entrepreneurial businesses between January 1, 2005, and December 31, 2009. To earn the Angel Investor Tax Credit, taxpayers must file an application with the Louisiana Department of Economic Development. Refer to Revenue Information Bulletin 06-020 on LDR's website.

62F - **Musical and Theatrical Production** — R.S. 47:6034 allows a refundable credit against corporate income tax for the production expenses, transportation costs, employment of college and vocational-technical students, employment of residents, and for the construction, repair, or renovation of facilities related to productions and performances. No credit shall be allowed under this provision if credit has been granted for the Motion Picture Investment or Infrastructure credit (R.S. 47:6007) or the Sound Recording Investment credit (R.S. 47:6023). Taxpayers must apply to the Louisiana Department of Economic Development to receive certification. A copy of the certification must be attached to the return.

64F - **Wind and Solar Energy Systems** — R.S. 47:6030 allows a refundable credit against corporate income tax for taxpayers who purchase and install a wind energy system, a solar energy system, or both in a residence located in this state, or for owners who purchase and install such energy systems in a residential rental apartment project. Taxpayers are also eligible for the credit when a resident purchases a newly constructed home with such systems already installed, or when such systems are installed in new apartment projects. The credit is equal to 50 percent of the first $25,000 of the cost of each wind energy system or solar energy system, including installation costs, purchased on or after January 1, 2008. Only one tax credit is available for each eligible system. When taking this credit, the taxpayer will not be eligible for any other state tax credit, exemption, exclusion, deduction, or any other tax benefit for that property. Refer to LAC 61:I.1907 on LDR's website.

65F - **School Readiness Child Care Provider** — R.S. 47:6105 allows a refundable credit against corporate income tax or corporate franchise tax for a child care provider who operates a facility or facilities where care is given to foster children in the custody of the Louisiana Department of Children and Family Services (DCFS) or to children who participate in the Child Care Assistance Program administered by the Office of Family Support in DCFS. The credit is based on the average monthly number of children who attended the facility multiplied by an amount based on the quality rating of the child care facility. For more information regarding this credit, contact DCFS.

CODE

67F - **School Readiness Business-Supported Child Care** — R.S. 47:6107 allows a refundable credit against corporate income tax or corporate franchise tax for a taxpayer who incurs eligible business-supported child care expenses. The percentage of eligible expenses allowed for the credit depends on the quality rating of the child care facility to which the expenses are related or the quality rating of the child care facility that the child attends. Copies of cancelled checks and other documentation to support the amount of eligible expenses must be maintained and provided upon request. For more information regarding this credit, contact the Louisiana Department of Children and Family Services.

68F - **School Readiness Fees and Grants to Resource and Referral Agencies** — R.S. 47:6107 allows a refundable credit against corporate income tax or corporate franchise tax for the payment by a business of fees and grants to child care resource and referral agencies. The credit shall not exceed $5,000 per tax year. For more information regarding this credit, please contact the Louisiana Department of Children and Family Services.

69F - **Sugarcane Trailer Conversion or Acquisition** – R.S. 47:6029 allows a refundable credit against corporate income tax or corporate franchise tax for the cost paid this year to acquire or replace an eligible sugarcane trailer, or to convert an ineligible sugarcane trailer to an eligible sugarcane trailer. An eligible trailer hauls sugarcane and meets certain requirements which will authorize the owner or operator to obtain an annual special permit for sugarcane vehicles after August 1, 2012. The credit is limited to $7,000 per trailer paid in 2012.

70F - **Retention and Modernization** – R.S. 51:2399.1 et seq. allow a refundable credit against corporate income tax or corporate franchise tax for an employer who incurs qualified expenditures to modernize existing operations in Louisiana to retain the business in the state. Taxpayers must apply to the Louisiana Department of Economic Development to receive certification. A copy of the certification of the credit must be attached to the return.

71F - **Conversion of Vehicle to Alternative Fuel** – R.S. 47:6035 allows a refundable credit against corporate income tax for the conversion of a vehicle to a qualified clean-burning motor vehicle fuel property, or the purchase of a new qualified motor vehicle with a qualified clean-burning fuel property installed by the manufacturer. The purchased vehicle must be properly registered with the Louisiana Department of Public Safety. You must attach documentation verifying the conversion or purchase of the vehicle.

72F - **Research and Development** – R.S. 47:6015 allows a refundable credit against corporate income tax or corporate franchise tax for any taxpayer who claims a federal income tax credit under 26 U.S.C. §41(a) for increasing research activities. The credit is obtained through the Louisiana Department of Economic Development and documentation from that agency must be attached to the return. See Revenue Information Bulletin 09-020 on LDR's website.

73F - **Digital Interactive Media** – R.S. 47:6022 allows a refundable credit against corporate income tax for the investment in businesses specializing in digital interactive media and software. Taxpayers must apply to the Louisiana Department of Economic Development to receive certification. A copy of the certification of the credit must be attached to the return. See Revenue Information Bulletin 12-017 on LDR's website.

80F - **Other Refundable Credit** — Reserved for future credits.

BALANCE SHEET AND CORPORATION FRANCHISE TAXABLE BASE

SCHEDULE A - BALANCE SHEET

The Schedule A balance sheet should reflect the values of any assets as shown on the books, as provided in LAC 61:I.320. The corporation franchise tax law provides that all assets are deemed to have such values as reflected on the books of the corporation subject to examination and revision by the Secretary. The Secretary may increase the book value of assets up to cost to reflect the true value of surplus and undivided profits, but is prohibited from making revisions that would reflect any value below the amount reflected on the books of the taxpayer. A taxpayer may, at his own discretion, reflect values in excess of cost. In determining cost to which the revisions limitation applies, the fair market value of any asset received in an exchange of properties shall, in most cases, be deemed to constitute the cost of the asset to the taxpayer.

Corporations shall compute their tax liability on the basis of the portion of the total taxable base employed in Louisiana at the close of the preceding calendar or fiscal year.

SCHEDULE A-1 COMPUTATION OF FRANCHISE TAX BASE

The franchise taxable base includes all items of capital stock, surplus, and undivided profits. The provisions of R.S 47:605.1 still apply to determine the amount, if any, of debt owed to affiliates appearing on a corporation's books that is considered equity investments by the affiliates for franchise tax purposes.

Complete Lines 1 – 11 on Schedule A-1 if any debt to affiliates appears on the balance sheet at year's end. See Revenue Ruling 06-010 on LDR's website for additional information. For this purpose, an affiliated corporation is any member of a controlled group of corporations as defined in 26 U.S.C. 1563, or any other person that would be a member of a controlled group if rules similar to those of

26 U.S.C. 1563 were applied to that person. Debt to affiliates does not include trade debt that is less than one hundred eighty days old or deposit liabilities to related parties, and can not be reduced by receivables. All corporations must complete Lines 12 - 18.

DETERMINATION OF TOTAL CAPITAL STOCK, SURPLUS, AND UNDIVIDED PROFITS

CAPITAL STOCK – Capital stock means all stock that is issued and outstanding. However, the cost of treasury stock may be deducted from earned surplus, limited to the extent of the surplus that was available when the treasury stock was acquired. Capital stock, whether par value or not, is deemed to have such value as is reflected on the books, subject to examination and revision by the Secretary, but in no event less than shown on the books.

SURPLUS, UNDIVIDED PROFITS, ETC. – Surplus and undivided profits shall be deemed to have such value as is reflected on the books of the corporation, subject to examination and revision by the Secretary. Reserves other than depreciation, bad debts, other established valuation reserves, etc., should be included. Examples of reserves to be included in surplus and undivided profits are reserves for contingencies, repairs, self-insurance, etc. In addition, any excessive valuation reserve should be included in the taxable base to the extent of such excess. The entire profit on installment obligations should be included in surplus regardless of whether deferred on the books. Many times, items contained in "Other Current Liabilities" and "Other Liabilities" are not truly debt, such as the deferred income tax account, and consideration must be given to these items. If that is the case, then 100 percent of the deferred income tax or any other item that is not debt must be reported as "Earned surplus and undivided profits." DEFERRED INCOME TAX MUST BE INCLUDED IN THE TAXABLE BASE.

In computing surplus and undivided profits, any amounts required by court order to be set aside and segregated in such manner as not to be available for distribution to stockholders or for investment in properties may be excluded from the franchise taxable base.

In the event that surplus and undivided profits accounts reflect a negative figure or deficit, such deficit shall reduce the franchise taxable base.

Refer to R.S. 47:605(A) for information concerning the reduction of surplus for depreciation sustained, but not taken on the books of a corporation under the control of a governmental agency.

Refer to R.S. 47:602 for those items that are excludable from the franchise taxable base and the limitations set forth under R.S. 47:602(G).

SCHEDULE C – ANALYSIS OF EARNED SURPLUS AND UNDIVIDED PROFITS PER BOOKS

Schedule C should analyze Schedule A, Line 30, Column 2. Any changes to the balance of earned surplus and undivided profits should be recorded here.

SCHEDULE D – COMPUTATION OF LOUISIANA TAXABLE INCOME

LINE 1 – FEDERAL TAXABLE INCOME

Print the federal taxable income of the corporation. If the corporation is included with affiliates in a consolidated federal income tax return, or is not a Subchapter C corporation for federal income tax purposes, print the net income that would have been reported on the federal return if the corporation had been required to file an income tax return with the Internal Revenue Service on a separate Subchapter C corporation basis.

LINES 2 THROUGH 4 – ADDITIONS TO FEDERAL TAXABLE INCOME

Deductions taken on the federal return for a net operating loss, dividends received, and Louisiana income tax are not allowable deductions on the Louisiana return and must be added back to federal taxable income.

LINE 5 – OTHER ADDITIONS TO FEDERAL TAXABLE INCOME

Refer to R.S. 47:287.71, R.S. 47:287.73, and Revenue Information Bulletin 07-010 for other additions to federal taxable income. A schedule of the items on this Line must be attached.

LINE 6 – TOTAL ADDITIONS

Add Lines 2 through 5.

LINE 7 – REFUNDS OF LOUISIANA INCOME TAX

To the extent that refunds of Louisiana income tax are included in federal taxable income, they should be deducted on this line in accordance with R.S. 47:287.71.

LINE 8 – LOUISIANA DEPLETION IN EXCESS OF FEDERAL DEPLETION

As provided in R.S. 47:287.745, in computing net income in the case of oil and gas wells, there shall be allowed as a deduction cost depletion as defined under federal law or percentage depletion, whichever is greater. Percentage depletion is equal to 22 percent of gross income from the property during the taxable year, excluding any rents or royalties paid or incurred by the taxpayer in respect of the property. This depletion amount should not exceed 50 percent of the net income of the property computed without an allowance for depletion. In determining net income from the property, federal income taxes shall be considered an expense.

LINE 9 – EXPENSES NOT DEDUCTED ON THE FEDERAL RETURN DUE TO IRC SECTION 280C

Whenever an otherwise allowable expense for purposes of computing federal net income is disallowed under the provisions of IRC Section 280C, an additional deduction in the amount of the disallowed expense is allowed under the provisions of R.S. 47:287.73. An example of such an expense is salary expense disallowed due to the utilization of the federal jobs credit.

LINE 10 – ROAD HOME

As provided in R.S. 47:287.738(G), any gratuitous grant, loan, or other benefit directly or indirectly provided to a taxpayer by a hurricane recover entity shall be retroactively excluded if such income was included in the taxpayer's federal adjusted gross income. Hurricane recovery entities that provided such benefits are the Road Home Corporation, the Louisiana Recovery Authority, the Louisiana Family Recovery Corps, and the disaster recovery unit within the Office of Community Development, Division of Administration.

LINE 11 – OTHER SUBTRACTIONS

Refer to R.S.47:287.71, 47:287.73, and 17:3095 for other subtractions from federal net income. A schedule of the items on this line must be supplied.

LINE 12 – TOTAL SUBTRACTIONS

Add Lines 7 through 11.

LINE 13 – LOUISIANA NET INCOME BEFORE S CORPORATION EXCLUSION, LOSS ADJUSTMENTS, AND FEDERAL INCOME TAX DEDUCTION

Add Line 1 plus Line 6, less Line 12. Round to the nearest dollar.

SCHEDULE E – CALCULATION OF INCOME TAX

SCHEDULE F – CALCULATION OF FRANCHISE TAX

SCHEDULE G – RECONCILIATION OF FEDERAL AND LOUISIANA NET INCOME

This schedule MUST be completed by those corporations filing Form CIFT-620A, Corporation Apportionment and Allocation Schedules. Those corporations doing business only within Louisiana do not need to complete this schedule. Refer to the instructions for Schedule D for specific information on additions and subtractions from federal net income. **Important! See R.S. 47:287.71 and R.S. 47:287.73 for information.**

SCHEDULE H – RECONCILIATION OF INCOME PER BOOKS WITH INCOME PER RETURN

This schedule should be completed by all corporations.

INSTRUCTIONS FOR COMPLETING APPORTIONMENT AND ALLOCATION SCHEDULES – FORM CIFT-620A

GENERAL INFORMATION
IMPORTANT–PLEASE COMPLETE ALL APPLICABLE LINES AND SCHEDULES OF THIS FORM. Failure to furnish complete information will cause the processing of the return to be delayed and may necessitate manual review of the return.

WHO MUST USE FORM CIFT-620A
Corporations that do business both within and without Louisiana must use Form CIFT-620A to apportion and allocate their net income and total taxable capital.

The Louisiana income tax law requires the apportionment reporting method is used when computing the Louisiana portion of a taxpayer's apportionable income unless it can be clearly demonstrated that the use of the apportionment method produces a manifestly unfair result, and permission to use the separate accounting method has been granted by the Secretary. Such permission once secured continues to be effective so long as there is no change in the nature and extent of the Louisiana operations or in their relationship to operations outside of this state. A statement of any such changes in operations should be communicated immediately to the Secretary of Revenue in order that a redetermination may be made as to whether the separate accounting method is permissible.

LOUISIANA CORPORATION FRANCHISE TAX

AVERAGE RATIO – In the allocation of total capital stock, surplus, and undivided profits to Louisiana, the ratio to be used is the arithmetical average of two separately computed ratios obtained by dividing Louisiana property and assets by total property and assets and Louisiana net sales and other revenue by total net sales and other revenue. If the denominator in the calculation of either ratio is zero, then that ratio is eliminated as a factor in determining the average of the ratios. Schedules M and N are used to calculate the franchise tax allocation ratio. See LAC 61:I.306 available on the Department's website.

CORPORATIONS MERGING
The property and net sales and other revenue of a merging corporation must be included in the ratios of the surviving corporation.

SCHEDULE M – COMPUTATION OF CORPORATE FRANCHISE TAX PROPERTY RATIO
In computing the property ratio, Columns 3 and 4 must be completed. The various classes of property and assets shown below shall be allocated within and without Louisiana on the basis indicated:

CASH – Cash on hand shall be allocated to the state in which located.

CASH IN BANKS AND TEMPORARY INVESTMENTS – Cash in banks and temporary investments shall be allocated to the state in which they have their business situs or, in the absence of a business situs, to the state in which is located the commercial domicile of the taxpayer. If a cash account shows a deficit balance, then that account should be treated as having a zero balance for purposes of indicating the asset value for Schedule M.

TRADE ACCOUNTS AND TRADE NOTES RECEIVABLE – Such receivables shall be allocated by reference to the transactions from which the receivables arose, on the basis of the location at which delivery was made in the case of the sale of merchandise or the location at which the services were performed in the case of charges for services rendered or the place where the loan was negotiated in the case of a lending business. In the absence of sufficient records of a detailed allocation, the total trade accounts and notes receivable may be apportioned to Louisiana on the basis of the ratio of the amount of merchandise deliveries in Louisiana and charges for services performed in Louisiana during the year to the total amount of merchandise deliveries and charges for services, unless it is apparent that the use of this method produces an unfair and inequitable result.

INVESTMENTS IN AND ADVANCES TO A PARENT OR SUBSIDIARY– Investments in and advances to a parent or subsidiary shall be allocated within and without Louisiana on the basis of the ratio of capital employed in Louisiana by the parent or subsidiary for Louisiana corporation franchise tax purposes. The average of the ratios for Louisiana corporation franchise tax purposes (Schedule N of Form CIFT-620A) of the parent or subsidiary is applied to the investment in or advances to such parent or subsidiary to determine the amount to be attributed to Louisiana.

OTHER INVESTMENTS – Notes, accounts, stocks, and bonds other than those described above and the cash surrender value of life insurance shall be allocated to the state in which they have a business situs, or in the absence of a business situs, to the commercial domicile of the taxpayer.

REAL AND TANGIBLE PERSONAL PROPERTY – Such property shall generally be allocated within and without Louisiana on the basis of actual location. Corporeal movable property of a class that is not normally located within a particular state the entire taxable year, such as rolling stock and other mobile equipment that is used in Louisiana, shall be allocated within and without Louisiana by use of a ratio or ratios that shall give due consideration to the actual usage, such as mileage operated or traffic density within and without this state. Mineral leases and royalty interests shall be allocated within and without this state on the basis of the actual location of the property covered by the lease or royalty interest. The value of inventories of merchandise in transit shall be allocated to the state in which their delivery destination is located in the absence of conclusive evidence to the contrary. Refer to LAC 61:I.306 for more information on the allocation of specific assets.

OTHER ASSETS – All other assets shall be allocated within or without Louisiana on such basis as may be reasonably applicable to the particular asset and the type of business involved. Investments in or advances to a partnership shall be attributed within and without Louisiana based on the percentage of the partnership's capital employed in Louisiana. The percentage of the partnership's capital employed in Louisiana is the allocation ratio, also known as the franchise tax apportionment ratio, that would be computed for the partnership if the partnership were a corporation subject to franchise tax. See LAC 61:I.306.A.2.h.

SCHEDULE N – COMPUTATION OF CORPORATE FRANCHISE TAX APPORTIONMENT PERCENTAGE

LINE 1. Net sales of merchandise, charges for services, and other revenues – The various classes of income shown below shall be allocated within and without Louisiana on the basis indicated:

A. SALES – The total amount of net sales should be equal to gross receipts less returns and allowances. Sales attributable to this state shall be all sales made in the regular course of business where the goods, merchandise, or property are received in this state by the purchaser. In the case of delivery of goods by common carrier or by other means of transportation, including transportation by the purchaser, the place at which the goods are ultimately received after all transportation has been completed shall be considered as the place at which the goods are received by the purchaser. However, direct delivery into this state by the taxpayer to a person or firm designated by a purchaser from within or without the state shall constitute delivery to the purchaser in this state. Sales of scrap materials and by-products are construed to meet the requirements for inclusion in the sales factor. Revenue derived from a sale of property not made in the regular course of business shall not be considered. Therefore, sales made other than to customers, such as stocks and bonds and revenues or gains on the sale

of property other than stock in trade should not be included as net sales of merchandise. Whenever a transaction is determined to be a sale that is not to be included as a sale to customers in the regular course of business, the amount does not constitute "other revenue" so as to qualify for inclusion in either the numerator or the denominator of the allocation ratio.

B. SERVICES – Income from services other than those described below shall be attributed within and without Louisiana on the basis of the location at which the services are rendered.

AIR TRANSPORTATION – Revenues attributable to Louisiana from air transportation shall include all gross receipts derived from passenger journeys and cargo shipments originating in Louisiana.

PIPELINE TRANSPORTATION – Other revenues attributable to this state derived from the transportation of crude petroleum, natural gas, petroleum products, or other commodities for others through pipelines shall include all gross revenue derived from operations entirely within this state, plus a portion of any revenue from operations partly within and partly without this state, based upon the ratio of the number of units of transportation service performed in Louisiana in connection with such revenue to the total of such units. A unit of transportation service shall be the transportation of any designated quantity of crude petroleum, natural gas, petroleum products, or other commodities for any designated distance.

OTHER TRANSPORTATION – Other revenues attributable to this state derived from transportation other than by aircraft or pipeline shall include all such income that is derived entirely from sources within this state, and a portion of revenue from transportation partly within and partly without, to be prorated subject to rules and regulations of the Secretary, which shall give due consideration to the proportion of service performed in Louisiana.

C. OTHER REVENUES – Revenues other than those from sales shall be allocated to Louisiana on the basis indicated below:

(i) RENTS AND ROYALTIES – Income from rents and royalties shall be allocated within and without Louisiana on the basis of the location or situs of the property from which the rents and royalties are derived. Royalties or similar revenue from the use of patents, trademarks, copyrights, secret processes, and other similar intangible rights shall be attributed to the state or states in which such rights are used.

(ii) DIVIDENDS AND INTEREST FROM A PARENT OR SUBSIDIARY – Such amounts shall be allocated within and without Louisiana on the basis of the ratio of the capital employed in Louisiana by the parent or subsidiary. The average of the ratios found on Form CIFT-620A, Schedule N, for Louisiana franchise tax purposes of the parent or subsidiary is applied to the amount of dividends and other revenues received from such parent or subsidiary to determine the amount to be attributed to Louisiana.

(iii) OTHER DIVIDENDS AND INTEREST – Interest on customers' notes and accounts shall be attributed to the state in which such customers are located. Other dividends and interest shall be attributed to the state in which the securities or credits producing such revenue have their situs, which shall be at the business situs of such securities or credits, if they have been so used in connection with the taxpayer's business as to acquire a business situs, or in the absence of a business situs, shall be at the commercial domicile of the taxpayer.

(iv) ALL OTHER REVENUES – All other revenues shall be attributed within or without Louisiana on the basis of such ratio or ratios as may be reasonably applicable to the type of revenue and business involved. Revenues from partnerships shall be attributed within and without Louisiana based on the percentage of the partnership's capital employed in Louisiana. The percentage of the partnership's capital employed in Louisiana is the allocation ratio, also known as the franchise tax apportionment ratio, that would be computed for the partnership if the partnership were a corporation subject to franchise tax. See LAC 61:I.306.A.1.j.iii.

D. TOTAL AND REVENUE RATIO – Add the amounts in Columns 2 and 3. Divide the total of Column 3 by the total of Column 2. Round to 2 decimal places. **IMPORTANT!!** For taxpayers whose primary business is manufacturing, the apportionment ratio is a single ratio consisting of net sales and other revenues. The term "business of manufacturing" is defined as a business whose net sales are derived primarily from the manufacture, production, and sale of tangible personal property and does not include the following:

- Any taxpayer whose income is primarily derived from the production or sale of unrefined oil and gas.
- Any taxpayer whose income is primarily derived from the manufacture, distribution, distillation, importation, or sale of alcoholic beverages..
- Any taxpayer defined as an integrated oil company per the United States Internal Revenue Code - 26 USC 291(b)(4), or integrated oil companies that refine, produce, and have marketing operations, whose income in Louisiana is principally derived from production and sale of unrefined oil and gas, and who engage in significant marketing of refined petroleum products in Louisiana.

LINE 2 FRANCHISE TAX PROPERTY RATIO – Print the percentage from Schedule M, Line 26, Column 4.

LINE 3 TOTAL OF APPLICABLE PERCENTAGES – Add the total percentages in Column 4.

LINE 4 AVERAGE OF PERCENTS – Divide Line 3 by applicable number of ratios. Print the average of percents on CIFT-620, Line 7B.

LOUISIANA NET INCOME

SCHEDULE P – COMPUTATION OF LOUISIANA NET INCOME

All corporations should complete Column 3. Those corporations that have been granted permission to use the separate accounting method should complete both Columns 2 and 3. All lines should be completed. These lines should be the same as the federal return except for the modifications under R.S. 47:287.71, 47:287.73, and 17:3095.

LINE 8 – OTHER INCOME

Taxpayers should include all taxable income not reported on Lines 1 or 4 through 7. This includes profits and losses from the sales or exchanges of property that are taxable as apportioned income. See LAC 61:I.1134. Taxpayers should also include interest income elected to be taxed under R.S. 47:287.738(F)(2).

LINES 27A THROUGH 27E

Louisiana does not apply the business/nonbusiness concepts outlined in the Multistate Tax Compact. Irrespective of whether the net income derived from sources within Louisiana is determined by use of the apportionment method or the separate accounting method, the law designates certain classes of income as allocable income that must be accounted for on a separate (direct) basis. See LAC 61:I.1130 available on the Department's website. The classes of income designated as allocable income and the basis upon which such income should be allocated are as follows:

A. Rents and royalties from immovable or corporeal movable property must be allocated to the state where the property is located at the time the income is derived.

B. Royalties or similar revenue from the use of patents, trademarks, copyrights, secret processes, and other similar intangible rights must be allocated to the state in which such rights are used. The use referred to is that of the licensee rather than that of the licensor. A mineral lease, royalty interest, oil payment, or other mineral interest shall be allocated to the state in which the property subject to such mineral interest is situated.

C. Estates, trusts, and partnerships having a corporation as a member or beneficiary must allocate and apportion their income within and without the state in accordance with the processes and formulas prescribed for corporations, and the share of any corporate member or beneficiary in the net income from sources in this state, so computed, must be allocated to this state in the return of the member or beneficiary.

D. Income from construction, repair, or other similar services must be allocated to the state in which the service is performed. The phrase "other similar services" means any work that has as its purpose the improvement of immovable property belonging to a person other than the taxpayer where a substantial portion of the work is performed at the location of such property, whether or not such services actually result in improvements to the property.

E. Other allocable income – This line should include interest income received from a controlled corporation that a corporation elects to tax under R.S. 47:287.738(F)(2). The interest shall be allocated to the state or states in which the real and tangible personal property of the controlled corporation is located. The allocation shall be made on the basis of the ratio of the value of such property located in Louisiana to the value of such property within and without the state. See LAC 61:I.1130.A.2.

CALCULATION OF NET ALLOCABLE INCOME – From the total gross allocable income from all sources and from gross allocable income from Louisiana sources, there shall be deducted all expenses, losses, and other deductions, except federal income taxes, allowable under the Louisiana income tax law that are directly attributable to such income, plus a ratable portion of the allowable deductions, except federal income taxes, that are not directly attributable to any item or class of gross income.

LAC 61:I.1130 provides that overhead expense attributable to items of gross allocable income derived from sources within and without Louisiana, except gross allocable income from rent of immovable or corporeal movable property or from construction, repair, or other similar services, may be determined by any reasonable method that clearly reflects net allocable income from such items of income.

LAC 61:I.1130.B.2.a PROVIDES:

i. Overhead expense attributable to Louisiana gross allocable income derived from rent of immovable or corporeal movable property and from construction, repair, or other similar services shall be deducted from such income for the purposes of determining Louisiana net allocable income or loss from such items of income. The amount of overhead expense attributable to such income shall be determined by multiplying overhead expense attributed to total gross allocable income derived from rent of immovable or corporeal movable property and from construction, repair, or other similar services by the arithmetical average of two ratios, as follows:

   (a) the ratio of the amount of Louisiana gross allocable income derived from rent of immovable or corporeal movable property and from construction, repair, or other similar services to total gross allocable income from such sources;

   (b) the ratio of the amount of direct cost incurred in the production of Louisiana gross allocable income derived from rent of immovable or corporeal movable property and from construction, repair, or other similar services to total direct cost incurred in the production of such income.

ii. Overhead expense attributable to total gross allocable income derived from rent of immovable or corporeal movable property or from construction, repair, or other similar services shall be deducted from such income for the purposes of determining total net allocable income or loss from such items of income. The amount of overhead expense attributable to such income shall be determined by multiplying total overhead expense by the arithmetical average of two ratios, as follows:

   (a) the ratio of the amount of total gross allocable income derived from rent of immovable or corporeal movable property and from construction, repair, or other similar services to total gross income derived from all sources;

   (b) the ratio of the amount of direct cost incurred in the production of total gross allocable income derived from rent of immovable or corporeal movable property and from construction, repair, or other similar services to total direct cost incurred in the production of gross income from all sources.

iii. If the taxpayer has not maintained documents or records sufficient to compute the ratios required by this Subparagraph, the secretary shall, upon examination, determine the method by which to attribute overhead expense.

In addition to direct expenses and a ratable portion of overhead expenses, LAC 61:I.1130 specifies the method for attributing a portion of interest expense to allocable income. The method of allocation and apportionment for interest set forth in the regulation is based on the approach that money is fungible and that interest expense is attributable to all activities and property regardless of any specific purpose for incurring an obligation on which interest is paid. Exceptions to the fungibility method are set forth in LAC 61:I.1130.B.1.b. The fungibility approach recognizes that all activities and property require funds and that management has a great deal of flexibility as to the source and use of funds and that the creditors of the taxpayer look to its general credit for repayment and thereby subject the money loaned to the risk of all of the taxpayer's activities. You must refer to LAC 61:I.1130 for information regarding the computation of interest expense.

LINES 27A THROUGH 27E – NET ALLOCABLE INCOME FROM ALL SOURCES

Print on Lines 27A through 27E of Column 2 the TOTAL net allocable income of each class, from all sources, net of all applicable expenses. Add Lines 27A through 27E, Column 2 and print the result in Column 3 of Line 27E. This is the TOTAL net allocable income.

LINE 28 – NET INCOME SUBJECT TO APPORTIONMENT

Subtract Line 27E, Column 3 from Line 26, Column 3.

LINE 29 – NET INCOME APPORTIONED TO LOUISIANA

Multiply the amount on line 28 by the percentage from Schedule Q, Line 1D or Line 5, and print the result in Line 29, Column 3.

LINE 30A THROUGH 30E – NET ALLOCABLE INCOME FROM LOUISIANA SOURCES

Print on Lines 30A through 30E of Column 2 the LOUISIANA net allocable income of each class, from all sources, net of all applicable expenses. In Column 3 of Line 30E, print the total of Lines 30A through 30E of Column 2. This is the LOUISIANA net allocable income.

LINE 31 – Add the net income apportioned to Louisiana, Line 29, Column 3 to the net income allocated to Louisiana, Line 30E, Column 3. If the separate method of accounting was used, print the amount from Line 25, Column 2. Also print this amount on Line 1A of Form CIFT-620.

SCHEDULE Q – COMPUTATION OF INCOME TAX APPORTIONMENT PERCENTAGE

R.S. 47:287.95 provides for an apportionment percent that is to be applied to the taxpayer's total net apportionable income in determining the Louisiana net apportionable income. Specific formulas are prescribed for air, pipeline, other transportation businesses, and certain service enterprises. A general formula is prescribed for manufacturing, merchandising and any other business for which a formula is not specifically prescribed. The statute contemplates that only one specific formula be used in determining the apportionment percent, that being the formula prescribed for the taxpayer's primary business. As a general rule, where a taxpayer is engaged in more than one business, the taxpayer's primary business shall be that which is the primary source of the taxpayer's net apportionable income. When the numerator and denominator are zero in any one or more ratios in the apportionment formula, such ratio shall be dropped from the apportionment formula and the arithmetical average determined from the total remaining ratios. You must refer to LAC 61:I.1134 available on the Department's website for complete information regarding the computation of the income tax apportionment percentage.

The income tax revenue and wage ratios are calculated on Form CIFT-620A, Schedule Q. The income tax property ratio is calculated on Form CIFT-620A, Schedule M.

BUSINESSES OTHER THAN THOSE DESCRIBED BELOW – The Louisiana apportionment percent of any taxpayer whose net apportionable income is derived primarily from any business not described below shall be the arithmetical average of three ratios, as follows:

1. The ratio of net sales made in the regular course of business and other gross apportionable income attributable to this state to the total net sales made in the regular course of business and other gross apportionable income of the taxpayer.

2. The ratio of the amount paid by the taxpayer for salaries, wages, and other compensation for personal services rendered in this state to the total amount paid by the taxpayer for salaries, wages, and other compensation for personal services in connection with the production of net apportionable income.

3. The ratio of the value of the immovable and corporeal movable property owned by the taxpayer and located in Louisiana to the value of the immovable and corporeal movable property owned by the taxpayer and used in the production of the net apportionable income.

TELEVISION AND RADIO BUSINESSES – SEE R.S. 47:287.95(K)

MANUFACTURING OR MERCHANDISING – The Louisiana apportionment percent of any taxpayer whose net apportionable income is derived primarily from the business of manufacturing or merchandising (manufacturing, producing, and/or selling tangible personal property) shall be computed by means of a single ratio, the ratio of net sales made in the regular course of business and other gross apportionable income attributable to this state to the total net sales made in the regular course of business and other gross apportionable income of the taxpayer.

This provision does not apply to the following:

- Any taxpayer subject to the tax imposed pursuant to Chapter 8 of Subtitle II of Title 47 of the Louisiana Revised Statutes (Tobacco Tax).

- Any taxpayer whose income is primarily derived from the production or sale of unrefined oil and gas.

- Any taxpayer defined as an integrated oil company per the United States Internal Revenue Code – 26 USC 291(b)(4), or integrated oil companies that refine, produce, and have marketing operations, whose income in Louisiana is principally derived from production and sale of unrefined oil and gas, and who also engage in significant marketing of refined petroleum products in Louisiana. Any corporation, whose activities during the taxable year do not include gross receipts from retail sales of oil and/or natural gas or gross receipts from refinery activities of oil and/or natural gas, will not be considered as an integrated oil company for Louisiana tax purposes.

AIR TRANSPORTATION – The Louisiana apportionment percent of any taxpayer whose net apportionable income is derived primarily from the business of transportation by aircraft shall be the arithmetical average of two ratios, as follows:

1. The ratio of the amount of gross apportionable income derived from Louisiana sources to the total gross apportionable income of the taxpayer.

2. The ratio of the value of immovable and corporeal movable property, other than aircraft, owned by the taxpayer and located in Louisiana to the value of all immovable and corporeal movable property, other than aircraft, owned by the taxpayer and used in the production of apportionable income.

Wages and salaries are not considered.

PIPELINE TRANSPORTATION – The Louisiana apportionment percent of any taxpayer whose net apportionable income is derived primarily from the business of transportation by pipeline shall be computed by means of the ratios provided in R.S. 47:287.95(F).

TRANSPORTATION OTHER THAN AIR OR PIPELINE – The Louisiana apportionment percent of any taxpayer whose net apportionable income is derived primarily from the business of transportation, other than aircraft or pipeline, shall be the arithmetical average of two ratios as follows:

1. The ratio of the amount of gross apportionable income from Louisiana sources to the total amount of gross apportionable income of the taxpayer.

2. The ratio of the value of immovable and corporeal movable property owned by the taxpayer and located in Louisiana to the value of all immovable and corporeal movable property owned by the taxpayer and used in the production of apportionable income.

Wages and salaries are not considered.

SERVICE ENTERPRISES – The Louisiana apportionment percent of any taxpayer whose net apportionable income is derived primarily from a service business in which the use of property is not a substantial income-producing factor shall be the arithmetical average of two ratios, as follows:

1. The ratio of the gross apportionable income of the taxpayer from Louisiana sources to the total gross apportionable income of the taxpayer.

2. The ratio of the amount paid by the taxpayer for salaries, wages, and other compensation for personal services rendered in Louisiana to the total amount paid by the taxpayer for salaries, wages, and other compensation for personal services in connection with the production of the net apportionable income.

Property is not considered.

FEDERAL INCOME TAX DEDUCTION WORKSHEET

(See instructions on page 28.)

1A. Louisiana net income – From Form CIFT-620, Line 1A..... $ _____

1B. Loss carryforward – From Form CIFT-620, Line 1C..... $ _____

1C. Loss carryback – From Form CIFT-620, Line 1D..... $ _____

1D. Louisiana net income before federal income tax deduction – Subtract Lines 1B and 1C from Line 1A..... $ _____

2. Adjustments to convert Louisiana net income to a federal basis

_____ $_____

_____ $_____

_____ $_____

_____ $_____

_____ $_____

_____ $_____

_____ $_____

_____ $_____

Net adjustment $_____

3. Louisiana net income on a federal basis – Subtract Line 2 from Line 1D..... $ _____

4. Federal net income..... $ _____

5. Less creditable expenses..... $ _____

6. Federal net income – Subtract Line 5 from Line 4..... $ _____

7. Ratio of Louisiana net income to federal net income – Divide Line 3 by Line 6..... ___ ___ ___ . ___ ___ %

8. Federal income tax liability..... $ _____

9. Less alternative minimum tax..... $ _____

10. Less environmental tax..... $ _____

11. Federal income tax – Subtract Lines 9 and 10 from Line 8..... $ _____

12. Federal income tax attributable to Louisiana income – Multiply Line 11 by Line 7..... $ _____

13. Federal income tax disaster relief credits..... $ _____

13a. Federal income tax disaster relief credit attributable to Louisiana – Multiply Line 13 by Line 7 and print the amount here and on Form CIFT-620, Line 1E1..... $ _____

14. Add Lines 12 and 13a. – Print on Form CIFT-620, Line 1E..... $ _____

The amount of federal income tax to be deducted is that portion levied on the income derived from sources in this state. See R.S. 47:287.83 and 85 and Louisiana Administrative Code 61:I.1122 and 1123 for specific information regarding the computation of the federal income tax deduction.

INSTRUCTIONS FOR FEDERAL INCOME TAX DEDUCTION WORKSHEET

LINES 1B and 1C – As provided in R.S. 47:287.83, no federal income tax deduction shall be allowed on net income upon which no Louisiana tax has been incurred, or upon which, for any reason whatsoever, no Louisiana income tax will be paid. Since no tax will be paid on the income reduced by the net operating loss carryforward and the net operating loss carryback, they must be subtracted from Louisiana net income.

LINE 2 – In order to make Louisiana net income and federal net income comparable, Louisiana net income should be converted to a federal basis. Items of difference between federal and state net income are divided into "compensating items" and "noncompensating items." "Compensating items" are those differences in items of deduction or items of net income for a particular year that arise solely by reason of the fact that the item is accounted for in different periods for federal and Louisiana income tax purposes (example: depreciation). "Noncompensating items" are any items of difference between federal and Louisiana income or deductions for a particular year other than those defined as "compensating items." These items generally arise from a difference in tax law between federal and state and will never adjust themselves (example: depletion, interest income, dividend exclusion, Louisiana income tax).

Items of difference that relate to apportionable income should have the apportionment percentage applied before computing the adjustment amount. Items of difference that relate to allocable income are considered only if they relate to Louisiana allocable income. The apportionment percentage is not applied to these items.

"Noncompensating items" of addition can be added only to the extent of the "noncompensating items" of subtraction. "Noncompensating items" of subtraction are not limited. "Compensating items" of addition and subtraction are allowed with no limitation.

LINE 5 – The federal net income is adjusted to account for expenses that would have been allowed as deductions on the federal return, but were disallowed because of the provisions of IRC Section 280C. An example of such an expense is the salary expense disallowed due to the utilization of the jobs credit.

LINE 8 – The federal income tax liability is the actual tax liability after being reduced for all credits except the alternative minimum tax credit. A corporation that files, or is included in a consolidated federal income tax return, must allocate a portion of the consolidated tax liability before determining the deductible portion. In its basic application, the method for allocating the consolidated tax is outlined here. A spread of each member in the consolidated group must be prepared as if each company filed as a separate company for federal income tax purposes. All loss companies should be eliminated in the spread. The tax for each company should be computed on a separate basis. All tax credits should be applied to the specific company to which they relate. A ratio of each company's separate company tax to the total tax for all companies computed on a separate company basis should be calculated. This ratio is then applied to the actual consolidated tax liability. Refer to LAC 61:I.1122 and 1123 for additional information for more complex situations.

LINE 9 – Under most circumstances, the alternative minimum tax is not deductible on the Louisiana return. The tax is deductible only to the extent that Louisiana tax is paid on income on which alternative minimum tax has been paid and no regular federal income tax will be paid. Refer to LAC 61:I.1122 for further explanation.

LINE 10 – The environmental tax is not deductible as a federal income tax deduction; however, it is deducted as a line item deduction in arriving at federal net income.

LINE 13a – Acts 23 of the 2005 1st Extraordinary Legislative Session provides that a corporation may increase the amount of its federal income tax deduction by the amount of Federal Disaster Relief Credits attributable to Louisiana. Print the amount of your Federal Disaster Relief Credits attributable to Louisiana on this line and in the designated area on Form CIFT-620, Line 1E1. Please refer to LAC 61:I.601 available on the Department's website regarding the application of those federal credits deemed by the Secretary to be federal disaster credits.

LINE 14 – Add Lines 12 and 13a. Print on Form CIFT-620, Line 1E.

Visit these LDR websites:

www.revenue.louisiana.gov/taxforms for forms and instructions.

www.revenue.louisiana.gov/business for tax information

www.revenue.louisiana.gov/policies for policy documents

www.revenue.louisiana.gov/preparers for tax professionals

www.revenue.louisiana.gov/latap for Louisiana Taxpayer Access Point (LaTAP), LDR's online service that allows business taxpayers to access their accounts online and make payments for your Louisiana business taxes.

Tax assistance is available at the Louisiana Department of Revenue Main Office:

617 North Third Street
Baton Rouge, LA 70802-5428

Baton Rouge-Main Office .. .. (225) 219-7462
(TDD) .. .. (225) 219-2114

Mailing Address:
LDR - Baton Rouge – Main Office
P. O. Box 201
Baton Rouge, LA 70821-0201

www.revenue.louisiana.gov

What's New for Louisiana 2012 Corporation Income tax and 2013 Corporation Franchise Tax?

Refundable Credits – Schedule RC:

Sugarcane Trailer Conversion Credit – Code 69F – The credit for 2012 is limited to $7,000 per trailer. See Revenue Information Bulletin 09-026 for more information. (R.S. 47:6029)

Digital Interactive Media & Software Credit – Code 73F – The credit is for taxpayers who invest in businesses specializing in digital interactive media and software. Taxpayers must apply to the Louisiana Department of Economic Development to receive certification. A copy of the certification of the credit must be attached to the return. See Revenue Information Bulletin 12-017 on LDR's website. (R.S. 47:6022)

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