North Carolina Department of Revenue



Important Notice: Computation of Net Economic Loss North Carolina Gen. Stat. 105-130.8

N.C. Gen. Stat. § 105-130.8 allows a deduction to a corporation that has sustained a net economic loss in any or all of the fifteen preceding income years. The purpose of allowing the deduction of a prior year loss is to grant some measure of relief to the corporation that has incurred economic misfortune or is otherwise materially affected by strict adherence to the annual accounting rule in the determination of net income. The net economic loss for any year means the amount by which allowable deductions for the year other than prior year losses exceed income from all sources in the year including any income not subject to North Carolina corporate income tax.

Historically, the North Carolina Department of Revenue has interpreted this provision to require income items not taxable pursuant to N.C. Gen. Stat. § 105-130.5, such as U.S. Government interest and dividends to be considered in the computation of the loss in the year of creation. After reconsideration of the plain language of the statute, the Department has revised its interpretation, recognizing that any allowable deduction, although not taxable, may not reduce a loss in the year the loss is created. N.C. Gen. Stat. § 105-130.8(a)(2). However, pursuant to N.C. Gen. Stat. § 105-130.8(a)(4), a loss carried forward to a subsequent year must first be offset by any income not taxable. The interpretation of the application of a net economic loss carried forward and claimed as a deduction in a subsequent year has not been revised.

The following example demonstrates the revised interpretation and supersedes the examples currently published in the Income and Franchise Tax Rules and Bulletins. That document is currently being revised and will be published later this year.

Example: ABC Loss Co ("ABC") is a North Carolina corporation engaged in the business of manufacturing chemicals within and without this State. ABC's business is not directed or managed from its North Carolina offices; therefore, ABC's commercial domicile is not in this State. For 2010, ABC filed a federal form 1120, showing a taxable loss of \$199,000. (See Exhibit 1, Page 1, Line 30)

In determining the federal taxable loss for tax year 2010, the corporation includes the following income and deduction items:

- a. Dividend income from more than 20% owned corporations in the amount of \$3,050,000. (See Exhibit 1, Page 2, Schedule C, Line 2)
- b. Dividend income from affiliated group members in the amount of \$1,808,000. (See Exhibit 1, Page 2, Schedule C, Line 11)
- c. Dividend income from foreign corporations in the amount of \$1,043,000. (See Exhibit 1, Page 2, Schedule C, Line 14)
- d. U.S. Government interest income in the amount of \$26,000. (See Exhibit 1, Page 1, Line 5)
- e. Other income in the amount of \$10,000,000. (See Exhibit 1, Page 1, Line 10)
- f. Other deductions in the amount of \$11,878,000. (See Exhibit 1, Page 1, Line 26)
- g. A special deduction in the amount of \$4,248,000. (See Exhibit 1, Page 1, Line 29b)

In determining State net income, the corporation makes the following adjustments to its federal taxable loss:

- a. Deducts U.S Government interest in the amount of \$26,000. (See Exhibit 2, Page 3, Schedule H, Line 3a). N.C. Gen. Stat. § 105-130.5(b)(1)
- b. Deducts dividend income from foreign corporations in the amount of \$1,043,000. (See Exhibit 2, Page 3, Schedule H, Line 3b). N.C. Gen. Stat. § 105-130.5(b)(3a)

In addition, the corporation classifies dividend income in the amount of \$610,000 as nonapportionable income. The amount of nonapportionable dividend income is calculated by reducing the amount of dividend income reported in 2010 (\$5,901,000) by the sum of the special deduction (\$4,248,000) and the dividend income from foreign corporations (\$1,043,000). (See Exhibit 2, Page 4, Schedule N, Line 1). N.C. Gen. Stat. § 105-130.4(h).

During tax year 2010, the corporation received life insurance proceeds in the amount of \$50,000 as a result of the death of an employee and the proceeds were excluded from federal taxable income. (See Exhibit 1, Page 3, Schedule M-1, Line 7).

For tax year 2010, the North Carolina apportionment factor is sixty percent (60%).

Computation of Corporate Income Tax for 2010

Federal Taxable Income Before NOL (Exhibit 2, Page 1, Schedule B, Line 10) (199,000)Adjustments to Federal Taxable Income (Exhibit 2, Page 1, Schedule B, Line 11) Deduct: U.S. Government Interest 26.000 Deduct: Foreign Dividends 1.043.000 1.069.000 N.C. Taxable Income (Exhibit 2, Page 1, Schedule B, Line 14) (1,268,000)Nonapportionable Income (Exhibit 2, Page 1, Schedule B, Line 15): Deduct: Dividend Income Classified as Nonapportionable 610,000 Apportionable Income (Exhibit 2, Page 1, Schedule B, Line 16) (1,878,000)Apportionment Factor (Exhibit 2, Page 1, Schedule B, Line 17) 60.0000% Income Apportionable to N.C. (Exhibit 2, Page 1, Schedule B, Line 18) (1,126,800)Nonapportionable Income Allocated Directly to N.C. 0 Income Subject to N.C. Tax for 2010 (Exhibit 2, Page 1, Schedule B, Line 20) (1,126,800)Computation of Net Economic Loss for 2010 Apportionable Income (Exhibit 2, Page 1, Schedule B, Line 16) (1,878,000)Income sources received in 2010 not taxable in North Carolina: Add: Life insurance proceeds 50,000 Add: Nonapportionable dividend income 610,000 660,000 Net economic loss for tax year 2010 (1,218,800)Apportionment Factor 60.0000% Net economic loss apportioned to N.C. for tax year 2010 (730,800)

For 2011, the corporation's federal taxable loss is \$772,500. (See Exhibit 3, Page 1, Line 30)

In determining the federal taxable loss for tax year 2011, the corporation includes the following income and deduction items:

a. Dividend income from more than 20% owned corporations in the amount of \$4,050,000. (See Exhibit 3, Page 2, Schedule C, Line 2)

- b. Dividend income from affiliated group members in the amount of \$1,808,000. (See Exhibit 3, Page 2, Schedule C, Line 11)
- c. U.S. Government interest income in the amount of \$6,000. (See Exhibit 3, Page 1, Line 5)
- d. Other income in the amount of \$5,000,000. (See Exhibit 3, Page 1, Line 10)
- e. Other deductions in the amount of \$6,588,500. (See Exhibit 3, Page 1, Line 26)
- f. A special deduction in the amount of \$5,048,000. (See Exhibit 3, Page 1, Line 29b)

In determining State net income, the corporation deducts U.S. Government interest in the amount of \$6,000. (See Exhibit 4, Page 3, Schedule H, Line 3a) N.C. Gen. Stat. § 105-130.5(b)(1). The corporation also classifies dividend income in the amount of \$810,000 as nonapportionable income. The amount of nonapportionable dividend income (\$810,000) is calculated by reducing the amount of dividend income reported in 2011 (\$5,858,000) by the amount of special deduction (\$5,048,000). (See Exhibit 4, Page 4, Schedule N, Line 1). N.C. Gen. Stat. § 105-130.4(h)

For tax year 2011, the North Carolina apportionment factor is seventy percent (70%).

In addition in tax year 2011, the corporation received interest income from municipal bonds in the amount of \$100,000 that was not taxed for federal or State income tax purposes. (See Exhibit 3, Page 3, Schedule M-1, Line 7).

Computation of Corporate Income Tax for 2011

Federal Taxable Loss Before NOL (Exhibit 4, Page 1, Schedule B, Line 10)	(772,500)
Adjustments to Federal Taxable Income (Exhibit 4, Page 1, Schedule B, Line 11 Deducts: U.S. Government Interest) 6,000
N.C. Taxable Income (Exhibit 4, Page 1, Schedule B, Line 14)	(778,500)
Nonapportionable Income (Exhibit 4, Page 1, Schedule B, Line 15): Deduct: Dividend Income Classified as Nonapportionable	810,000
Apportionable Income (Exhibit 4, Page 1, Schedule B, Line 16)	(1,588,500)
Apportionment Factor (Exhibit 4, Page 1, Schedule B, Line 17)	70.0000%
Income Apportionable to N.C. (Exhibit 4, Page 1, Schedule B, Line 18)	(1,111,950)
Nonapportionable Income Allocated Directly to N C.	0
Income Subject to N.C. Tax (Exhibit 4, Page 1, Schedule B, Line 20)	(1,111,950)

Computation of Net Economic Loss for 2011

Net economic loss apportioned to N.C. for tax year 2011	(474,950)
Apportionment Factor	70.0000%
Net economic loss for tax year 2011	(678,500)
Income sources received in 2011 not taxable in North Carolina: Add: Nonapportionable dividend income Add: Municipal bond interest income	810,000 100,000
Apportionable Income (Exhibit 4, Page 1, Schedule B, Line 16)	(1,588,500)

Computation of Net Economic Loss Deduction

Net economic loss apportioned to North Carolina for tax year 2010 (7	730,800
--	---------

Income received in 2011 not taxable in North Carolina:

Dividend received deduction (70% of 5,048,000)	3,533,600	
U.S. Government interest (70% of 6,000)	4,200	
Nonapportionable dividend income (70% of 810,000)	567,000	
Municipal bond interest income (70% of 100,000)	70,000	4,174,800

Net economic loss deduction

0

(No net economic loss deduction exists from net economic loss created in 2010 because the net economic loss apportioned to North Carolina for tax year 2010 does not exceed the amount of income not taxable in North Carolina received in 2011. Therefore, the only net economic loss available to be carried forward to tax year 2012 is the net economic loss created in 2011, which is 474,950.)

N.C. Gen. Stat. 105-130.8(b) provides that the Secretary or the taxpayer may redetermine an item originating in a taxable year that is closed under the statute of limitations for the purpose of determining the amount of net economic loss that can be carried forward to a taxable year that remains open under the statute of limitations.

PAGE 1

U.S. Corporation Income Tax Return OMB No. 1545-0123 For calendar year 2010 or tax year beginning , 2010, ending Department of the Treasury Internal Revenue Service ► See separate instructions A Check if: Name B Employer identification number 1a Consolidated return ABC Loss Co. (attach Form 851) XX-XXXXXXX Print b Life/nonlife consoli-Number, street, and room or suite no. If a P.O. box, see instructions. C Date incorporated or dated return . Personal holding co. 1234 Any Street xx/xx/xxxx type (attach Sch. PH) . City or town, state, and ZIP code D Total assets (see instructions) Personal service corp. City, State, 56789 (see instructions) Schedule M-3 attached I E Check if: (1) Initial return Final return (3) Name change (4) Address change Gross receipts or sales 1a b Less returns and allowances c Bal ▶ 1c 2 Cost of goods sold (Schedule A, line 8) 2 3 Gross profit. Subtract line 2 from line 1c 3 4 Dividends (Schedule C, line 19) 5,901,000 00 4 5 Interest 26,000 00 5 6 Gross rents 6 7 Gross royalties 7 8 Capital gain net income (attach Schedule D (Form 1120)) . 8 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797) 9 9 10 Other income (see instructions—attach schedule) 10,000,000 00 10 11 Total income. Add lines 3 through 10 15,927,000 11 00 12 Compensation of officers (Schedule E, line 4) (See instructions for limitations on deductions.) 12 13 Salaries and wages (less employment credits) 13 14 Repairs and maintenance 14 15 Bad debts . 15 16 Rents . 16 17 Taxes and licenses 17 18 Interest 18 19 Charitable contributions . 19 20 Depreciation from Form 4562 not claimed on Schedule A or elsewhere on return (attach Form 4562) 20 21 Depletion . 21 22 Advertising 22 23 Pension, profit-sharing, etc., plans 23 24 Employee benefit programs 24 25 Domestic production activities deduction (attach Form 8903) . 25 26 Other deductions (attach schedule) 11,878,000 00 Deductions 26 27 11,878,000 00 27 28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11. 4,049,000 28 00 29 29a b Special deductions (Schedule C, line 20) . . . 29c 4,248,000 00 Tax, Refundable Credits, and Payments 30 Taxable income. Subtract line 29c from line 28 (see instructions) (199,000 00) 30 Total tax (Schedule J, line 10) . . . 31 31 O 00 32a 2009 overpayment credited to 2010 . 32a 2010 estimated tax payments . . 32b 2010 refund applied for on Form 4466 C 32c 32d d Bai ▶ Tax deposited with Form 7004. 32e Credits: (1) Form 2439 f (2) Form 4136 32f Refundable credits from Form 3800, line 19c, and Form 8827, line 8c 32g 32h 33 Estimated tax penalty (see instructions). Check if Form 2220 is attached 33 34 Amount owed. If line 32h is smaller than the total of lines 31 and 33, enter amount owed 00 0 34 35 Overpayment. If line 32h is larger than the total of lines 31 and 33, enter amount overpaid 0 00 35 36 Enter amount from line 35 you want: Credited to 2011 estimated tax > Refunded ▶ 36 Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, 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 preparer has any knowledge. Sign May the IRS discuss this return Here with the preparer shown below (see instructions)? Yes No Signature of officer Print/Type preparer's name Preparer's signature Date PTIN Paid Check | if Preparer self-employed Firm's name Firm's EIN ▶ Use Only Firm's address > Phone no.

PAGE 2

Sch	edule A Cost of Goods Solo	(see instructions)					
1	Inventory at beginning of year				1		
2	Purchases				2		
3	Cost of labor						
4	Additional section 263A costs (attach so				4	1	
5	Other costs (attach schedule)				5		
6	Total. Add lines 1 through 5						
7	Inventory at end of year					<u> </u>	
8	Cost of goods sold. Subtract line 7 from						
9a	Check all methods used for valuing clos				· · <u>L</u>		
	(i) ☐ Cost	,					
	(ii) Lower of cost or market						
	(iii) Other (Specify method used and	attach explanation.) ▶					
b	Check if there was a writedown of subno						
С	Check if the LIFO inventory method was	-					
d	If the LIFO inventory method was used						· · · <u>-</u>
	inventory computed under LIFO				· · 9d		
е	If property is produced or acquired for re					<u> </u>	Yes No
f	Was there any change in determining qu						
							Yes No
Sch	edule C Dividends and Spec) Dividends	T	(c) Special deductions
		(00.	oou doud.io,	,	received	(b) %	(a) × (b)
1	Dividends from less-than-20%-owned of	lomestic corporations (of	her than debt-fina	nced			<u> </u>
	stock)					70	
2	Dividends from 20%-or-more-owned de			inced			
	stock)				3,050,000	80	2,440,000
3	Dividends on debt-financed stock of dor					see instructions	
4	Dividends on certain preferred stock of k					42	
5	Dividends on certain preferred stock of 2	•				48	
3	Dividends from less-than-20%-owned for				**	70	
7	Dividends from 20%-or-more-owned for				· · · · · · · · · · · · · · · · · · ·	80	
8	Dividends from wholly owned foreign sul					100	
9	Total. Add lines 1 through 8. See instruc			10005-000768 5-000		F 45 (0)	2,440,000
10	Dividends from domestic corporation			and a description of the second	A STATE OF THE STATE OF		
	company operating under the Small Busi					100	
11	Dividends from affiliated group members				1.808.000	100	1,808,000
12	D1.1.1 1.6 1.1				.,	100	,,,,,,,,
13	Dividends from foreign corporations not					18 JF H	
14	Income from controlled foreign corporati				1.043.000		
15	Foreign dividend gross-up				.,,		Bartin Bir
16	IC-DISC and former DISC dividends not		3				
17	Other dividends						
18	Deduction for dividends paid on certain p	preferred stock of public u	ıtilities	100	W 2 2 10 10		
19	Total dividends. Add lines 1 through 17			▶	5,901,000		
20	Total special deductions. Add lines 9,			1. line 29b .		>	4,248,000
Sche	dule E Compensation of O	ficers (see instructi	ons for page 1	, line 12)			
	Note: Complete Schedule				age 1) are \$50	0,000 or moi	e.
	(a) Name of officer	(b) Social security number	(c) Percent of	ercent of corpora	ation stock owned	ff Amour	nt of compensation
	(w) realite of officer	(w) Godiai security riumber	time devoted to business	(d) Common	(e) Preferred	(i) Amour	it or compensation
1			%	%	%		
			%	%	%		
			%	%	%		
			%	%	%		
			%	%	%		
2	•						
3	Compensation of officers claimed on Sch	edule A and elsewhere or	n return				
4	Subtract line 3 from line 2. Enter the resu	t here and on page 1, line	12				

Schedule L Balance Sheets per Books		Beginnir	ng of tax year	End of	of tax year		
	Assets	(a)	(b)	(c)	(d)		
1	Cash						
2a	Trade notes and accounts receivable	100 Mary 100		Selly-sal	CARTALLE.		
b	Less allowance for bad debts	()	()		
3	Inventories						
4	U.S. government obligations						
5	Tax-exempt securities (see instructions)						
6	Other current assets (attach schedule)						
7	Loans to shareholders						
8	Mortgage and real estate loans				-		
9	Other investments (attach schedule)			Part Hall Bridge			
10a	Buildings and other depreciable assets	35. A.					
b	Less accumulated depreciation	())	(ACC - ACC AND COMPANY		
11a	Depletable assets						
b	Less accumulated depletion	(10 Tel. 10 Tel	(
12	Land (net of any amortization)						
13a	Intangible assets (amortizable only)						
b	Less accumulated amortization	((ASS - 55 15 AV CREEK		
14	Other assets (attach schedule)						
15	Total assets						
	Liabilities and Shareholders' Equity						
16	Accounts payable		100000000000000000000000000000000000000				
17	Mortgages, notes, bonds payable in less than 1 year						
18	Other current liabilities (attach schedule)						
19	Loans from shareholders						
20	Mortgages, notes, bonds payable in 1 year or more						
21	Other liabilities (attach schedule)						
22	Capital stock: a Preferred stock	Mary Company					
	& Common stock				A SECURE		
23	Additional paid-in capital	state of the state of the state of		- Alexandria de la company de la company			
24	Retained earnings—Appropriated (attach schedule)						
25	Retained earnings—Unappropriated						
26	Adjustments to shareholders' equity (attach schedule)						
27	Less cost of treasury stock		(1		
28	Total liabilities and shareholders' equity		/		/		
Sche	edule M-1. Reconciliation of Income (I	oss) ner Books V	Mith Income ner Re	atrarro			
**************************************	Note: Schedule M-3 required inste	ad of Schedule M-1 if t	otal assets are \$10 million	n or more—see instruct	ions		
1	Net income (loss) per books		7 Income recorded				
2	Federal income tax per books		not included on t	his return (itemize):			
3	Excess of capital losses over capital gains .		Tax-exempt inter				
4	Income subject to tax not recorded on books			************			
	this year (itemize):			nsurance Proceeds	50,000		
		3-7-7-1		is return not charged	BALL TO A STATE		
5	Expenses recorded on books this year not			me this year (itemize):	Francisco de la companya de la comp		
	deducted on this return (itemize):			. \$			
а	Depreciation \$		b Charitable contribu	tions \$			
b	Charitable contributions \$				Taka ###		
С	Travel and entertainment . \$						
					50,000		
6	Add lines 1 through 5	4,099,000		e 28) — line 6 less line 9	4,049,000		
Sche	dule M-2 Analysis of Unappropriated	Retained Earning		25 Schedule I	4,040,000		
1	Balance at beginning of year			Cash	***		
2	Net income (loss) per books			Stock			
3	Other increases (itemizal)			· · · · · · · · · · · · · · · · · · ·			
			6 Other decreases (Property (itemize):			
		195 Starte 195 St.		iterrize).			
4	Add lines 1, 2, and 3			year (line 4 less line 7)			
			- Data to at end of	your (mie 4 iess mie 1)			

CD-405

Web 11-10

C Corporation Tax Return 2010 North Carolina Department of Revenue

Submit forms in the following order: CD-V, NC-478VJ, CD-479, NC-478, NC-478 series, CD-405, followed by CD-425

	alendar year 2010, or and ending management (MM-DD) and ending (MM-DD)	(DOR Use Only)
Legal	lame (First 35 Characters) (USE CAPITAL LETTERS FOR YOUR NAME AND ADDRESS)	Federal Employer ID Number
i		\rightarrow X X = X X X X X X X
AB	and an about the state of the s	Secretary of State ID NAICS Code
Addres	•	Secretary of State ID NAICS Code
12	34 ANY STREET	
City	State Zip Code	Gross Receipts / Sales
CI	TY NC 56789	00
▶ Fill	in all applicable circles: O Initial Filer NC-478 is attached Captive REIT	
	ed Schedule M-3 is attached Final Return	Total Assets per Balance oncer
100	ombined Return	
le fl	nis corporation related to another corporation as: (Attach a copy of the appropriate federal income tax schedule reflecting	g the relationship) Parent Subsidiary Affiliate
13 (по согронация телагса то аттопнет согронация аз. (Ацаата сору от иле арргориаце телева инсотпетах запесине телевати	gine relationship) Parent Subsidiary Annate
► Ent		nt of Section 179 Sch. H, Line 1(h)
1101	TO SCITE T(g)	2011, 11, Ellio I(II) homologian alian anna di gramma de manustra manustra de la UU
×	1. Capital Stock, Surplus, and Undivided Profits Holding	▶ 1.
Тах	(From Schedule C, Line 13) Company Exception	taanaaniljanaanilaanaanilaanaanilijanaanileen oonalooniseeriljanaosikooniseeriljanoosikoonimuulaanaanil . 8 VV
se	2. Investment in N.C. Tangible Property (From Schedule D. Line 8) (See insti ons)	▶ 2.
Ξ	3. Appraised Value of N.C. Tangit perty	transmining mension and a mort of processive consistence configuration the mension and the consistence and
Franchise	(From Schedule E, Line 2)	▶ 3.
10	4. Taxable Amount	
9	Line 1, 2, or 3, whichever is greatest	~ 00
	5. Total Franchise Tax Due	▶ 5
9	Multiply Line 4 by .0015 (\$1.50 per \$1,0 - minin \$35.00)	- 000
<u>a</u>	6. Payment with Application for Franchise Tax Extension (From Form CD-419, Line 9)	r i la
Computation	7. Tax Credits (From CD-105 P Line	i in the second
	If a tax credit is claim: in 7, i m D-425 M = 31cheu.	00
O	8. Franchise Tax Du If the of Line 6 plus 7 is less	8 @
@	than Line 5, enter difference here and on Page 2, Line 35	· · · · · · · · · · · · · · · · · · ·
	9. Franchise Tax Overpaid - If the sum of Line 6 plus 7 is	▶ 9.
	more than Line 5, enter difference here and on Page 2, Line 35	· · · · · · · · · · · · · · · · · · ·
	10. Federal Taxable Income Before NOL (From Schedule G. Line 30 or Federal Form 1120. If amount on Line 10-12, Example:	10. • 199000 00
	Line 28 minus 29b)	termination of the state of the
Z Z	11. Adjustments to Federal Taxable Income (From Schedule H. Line 5)	106900000
ø	12. Net Income Before Contributions	, , , , , , , , , , , , , , , , , , , ,
٤	Add (or subtract) Lines 10 and 11	12. • 1 2 6 8 0 0 0 .00
ဍ	13. Contributions to Donees Outside N.C.	13.
a	(From Schedule I, Line 1c)	beautiful and the second secon
ğ	14. N.C. Taxable Income	1268000.00
<u> </u>	Line 12 minus Line 13	have a sufficient and a sum and a second and a sum and a second for a sum and a second and a second as
5	15. Nonapportionable Income (From Schedule N, Line 1)	15. O 610000 .00
ပ	16 Apportionable Income	107000
٥	Line 14 minus Line 15	1878000 00
ا ة ا	17. Apportionment Factor - Enter to four decimal places	17. 60_0000 %
## J	(From Schedule O, Part 1; Part 2 - Line 15; Part 3; or Part 4)	the same framework to the same that the same
ğ	18. Income Apportioned to N.C.	1126800.00
μ	Multiply Line 16 by factor on Line 17	tangan alifan saan kaaman ahaman alifan ar anda amasa dan amalifan amanda ar amatan amanta ar amatan amanta 🔻 🤍 🚾
Computation of Corporate Incom	19. Nonapportionable Income Allocated to N.C. (From Schedule N, Line 2)	19. 0 0 00
_	20 Income Subject to N.C. Tax	
@	Add Lines 18 and 19	20. 1 1 2 6 8 0 0 .00
	21. Percentage Depletion over Cost Depletion on N.C. Property	21. 0 00
	(See Instructions)	21. U DO

Legal Name ABC LOSS CO

FEIN XX - XXXXXX

			· · · · · · · · · · · · · · · · · · ·	
	22.	Net Economic Loss (Attach schedule) If amount on L 23 or 25 is neg		0.00
	23.	Income Before Contributions to N.C. Donees Line 20 minus Lines 21 and 22 fill in circle. Example:	23.	1126800.00
	24.	Contributions to N.C. Donees (From Schedule I, Line 2e)	▶ 24.	. 0.00
×	25.	Net Taxable Income Line 23 minus Line 24	25.	1126800.00
e Tax	26.	N.C. Net Income Tax Multiply Line 25 by 6.90%	26.	0.00
com	27.	Surtax Multiply Line 26 by 3.0%	27.	
te in	28.	Income Tax Before Payments and Credits Add Lines 26 and 27	28.	0.00
Corporate Income	29.	Annual Report Fee Include \$25.00 ONLY if filing recort with the Department of Revenue. (Pay online. Go to www.sosnc.com)	▶ 29.	0.00
Cor	1	Add Lines 28 and 29 for an electronic flang option.) Payments and Credits	30.	0.00
on of		a. Application for Income Tax Extension (From Form CD-419, Line 10)	▶ 31a.	0 00
Computation		b. 2010 Estimated Tax (When filing an amended return, enter previous payments here.)	▶ 31b.	0.00
mpr		c. Partnership (If a partnership payment is claimed on Line 31s, a copy of the NC K-1 MUST be attached.)	→ 31c.	0 00
		d. Nonresident Withholding (Include copy of 1099 or W-2)	▶ 31d.	0,00
@		e. Tax Credits (From Form CD-425, Part 4, Line 34) If a tax credit is claimed on Line 31e. Form CD-425 MUST be attached.	▶ 31e.	0 00
	32.	Add Lines 31a through 31e	32.	0 00
	33.	Income Tax Due - If Line 32 is less than Line 30, enter difference here and on Line 36, below	33. 🦸	0.00
	34.	Income Tax Overpaid - If Line 32 is more than Line 30, enter difference here and on Line 36, below	34.	0.00
	35.	Franchise Tax Due or Overpayment (From Schedule A, Line 8 or 9) If amount on Line 35-3 overpayment fill in ci		
	36.	Income Tax Due or Overpayment Example: (From Schedule B, Line 33 or 34)	36.	.00
-	37.	Balance of Tax Due or Overpayment Add (or subtract) Lines 35 and 36	37 . O	
nd	38.	Underpayment of Estimated Income Tax (Enter letter in exceptions box, if applicable. Exception to Underpayment of Estimated Tax	▶ 38.	
Refund	39.	See instructions.) a. Interest (See instructions)	▶ 39a.	
9		b. Penalties (See instructions)	➤ 39b.	
Dage	40.	but not less than zero. It less than zero, enter amount on Line 41.	U.S. Currency 40.	tames also con transference de accordinate antico de contral for some demonstration and all 00
Тах	41.	Pay online. Go to <u>www.dornc.com</u> and click on <u>Electronic Services</u> . From a t Overpayment	41.	
	42.	Amount of Line 41 applied to 2011 Estimated Income Tax	▶ 42.	to a constant a menuncia a constant a consta
	43.	Amount of Line 41 contributed to N.C. Nongame and Endangered Wil	dlife Fund ▶ 43.	00
***************************************	44.	Amount to be Refunded Line 41 minus Lines 42 and 43	> 44.	terminal control of the control of t
	ture an		Corporate Telephone	FEED SEEDS
	f Office		Number:	(Important: Include Area Code)
Signat	ture of	Preparer's		PTIN:
MAIL	TO: N	I certify that, to the best of my knowledge, this return is accurate and complete. I.C. Dept. of Revenue, P.O. Box 25000, Raleigh, N.C. 27640-0500. Returns are du	(Fill in applicable circle, se by the 15th day of the 4th	

G Federal Taxable Income Before NOL Deduction Complete this schedule if you do not attach a copy of your federal income tax return. 1. a. Gross receipts or sales .00 b. Returns and allowances .00 .00 c. Balance (Line 1a minus Line 1b) .00 2. Cost of goods sold (Attach schedule) .00 3. Gross Profit (Line 1c minus Line 2) 4. Dividends (Attach schedule) .00 5. a. Interest on obligations of the United States and its instrumentalities .00 b. Other interest .00 6. Gross rents .00 .00 7. Gross royalties 8. Capital gain net income (Attach schedule) .00 9. Net gain (loss) (Attach schedule) .00 .00 10. Other income (Attach schedule) 11. Total Income .00 Add Lines 3 through 10 12. Compensation of officers .00 (Attach schedule) 13. Salaries and wages .00 (Less employment credits) 14. Repairs and maintenance .00 15. Bad debts .00 16. Rents 00 17. Taxes and licenses ٥٥٥ 18. Interest ۵ÜÜ 19. Charitable contributions .00 20. a. Depreciation b. Depreciation included in cost of goods sold c. Balance (Line 20a minus Line 20b) ٥٥. 21. Depletion ٥0 ـ 22. Advertising .00 23. Pension, profit-sharing, .00 and similar plans .00 24. Employee benefit programs 25. Domestic production activities deduction 00ء 26. Other deductions (Attach schedule) .00 27. Total Deductions .00 Add Lines 12 through 26 28. Taxable Income per Federal Return Before NOL and Special Deductions Line 11 minus Line 27 .00 29. Special Deductions .00 (From Federal Form 1120, Line 29b) 30. Federal Taxable Income Before NOL Line 28 minus Line 29; enter amount here .00

and on Schedule B, Line 10

(H) Adjustments to Federal Taxable Income							
1. Additions:	T Taxable moonie						
a. Taxes based on net income	.00						
b. Dividends paid by captive REITs							
c. Contributions	.00						
d. Royalties paid to related members (See instructions)	*00						
e. Expenses attributable to income not taxed (See instructions)	.00						
f. Domestic production activities deduction (From Schedule G, Line 25)	.00						
g. Bonus Depreciation	.00						
h. Section 179 Expense Deduction	.00						
•	•00						
i. Other (Attach explanation or schedule)	.00						
2. Total Additions (Add Lines 1a-1i)	electric del decumentation and a superior of the delicense of the superior of						
3. Deductions:	26,000 .00						
a. U.S. obligation interest (net of expenses) b. Other deductible dividends	Marine Ma						
(See instructions)	00						
c. Dividends received from captive REITs							
d. Royalties received from related members (See instructions)							
 e. Interest on deposits with FHLB (net of expenses) S&L's only 	200						
f. Bonus depreciation							
(See instructions)	00						
g. Other (Attach explanation or schedule)	1 060 000						
4. Total Deductions (Add Lines 3a-3g)	1,069,000 .00						
5. Adjustments to Federal Taxable Income Line 2 minus Line 4, enter amount	(1,060,000,00)						
here and on Schedule B, Line 11	(1,069,000.00)						
① Contributi	ions						
1. Contributions to Donees Outside N.C.							
 a. Enter total contributions to donees outside N.C. 							
b. Multiply the amount shown on Schedule B, Line 12 by 5%							
c. Amount Deductible Enter the lesser of Line 1a or 1b here and on Schedule B, Line 13	,00a						
2. Contributions to N.C. Donees							
a. Enter total contributions to N.C.							
donees other than those listed in Line 2d, below							
b. Multiply Schedule B, Line 23 by 5%							
c. Enter the lesser of Line 2a or 2b							
d. Enter total contributions to the State of N.C. and its political subdivisions							
e. Amount Deductible Add Lines 2c and 2d; enter total	00						
here and on Schedule B, Line 24	.00.						
Explanation of Changes fo Attach additional sheets							
	Elizanin radionima. Audorimi derrom errom er						
The Control of the Co							

,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Complete this schedu income. See the insti	le only if you apportion i ructions for an explana	ncome to North Caroli tion of what is appor t	na and to other sta tionable income	tes AND you have income classifi and what is nonapportionable in	ed as nonapportionable come						
e e	(A) Nonappor	tionable Income	(B) Gross Amounts	(C) Related Expenses	(D) Net Amounts * (Column B minus Column C)	(E) Net Amounts Allocated Directly to N.C.						
Nonapportionable Income	DIVIDEND I	NCOME	610,000.00	Volable (CV-VPD) 8 (ACC) as in PROMISSION METABOLISM part processed by a	610,000.00							
onable			PIS - PETITIONAL SETTI SETTEM OF PROCESSIVATION MANAGEMENT PROCESSIVATION FOR PROCESSIVAT									
porti	**************************************											
nap	1. Nonapportionable	e Income (Enter the total	of Column D here and on	Schedule B, Line 15,	610,000 .00							
Š	2. Nonapportionable and on Schedule B,	le Income Allocated to Line 19)	N.C. (Enter the total	of Column E here		0.00						
②	(Attach additional sheets		is nonapportionable i	ncome rather than	n apportionable income:							
	* For an acceptable mea	ans of computing related e	xpenses, see 17 N.C.A.	C. 5C .0304.								
	Part 1. Domestic Enter 100	and Other Corporati % on Schedule B, Line	ons Not Apportionir 17 and Schedule C,	ng Franchise or II Line 12	ncome Outside N.C.	100.0000 %						
	Part 2. Corporations Apportioning Franchise or Income to N.C. and to Other States Note: Apportionment factors must be calculated 4 places to the right of the decimal. Example: 99.9999 %											
_			Within North Car	rolina	2. Total Everywhe	ere						
ractor ractor		(a) Begin	ning Period (b)	Inding Period	(a) Beginning Period (b) E	nding Period						
70 L	Land Buildings	W #244 AV 174 COLOR 174 CO	- We will be a second of the s		likasissistikississa kis orimaitessistemaannoissa oli orimaiten oli ayontiinea oli ayontiinea oli orimaiten oli ayontiinea oli orimaiten oli ayontiinea oli orimaiten oli							
=	2. Inventories	**************************************	V.V.V.		en menerakan dan di salah 1990 dan di salah sanda sa	nati in tie verses in delementario anno distribusio dell'estre del						
Ě	4. Other property	100 100 A	WARRANCE WARREN									
6)	**************************************		Contraction Communication Comm							
Apportionment	5. Total (Add Lines 1-4) 6. Average value of property Add amounts on Line 5 for (a) and (b); divide by 2											
		fultiply annual rents by 8)		10.040.040.010.010.44	Andreas Willia Robel più challa de lepe hapita signe enteknion figetar princately princur minimale escribilizante principante	Factor						
ou o	8. Property Factor (A divide Column 1 by C	%										
tat	9. Gross payroll 10. Compensation of a	eneral executive officers	vid illus formaniones anno esta esta esta esta esta esta esta esta	AV M-PETERANOUM.	which both as however it have which is which it should involve it is it is the involve in the involve is in the involve in t							
م ا	10. Compensation of general executive officers 11. Payroll Factor (Line 9 minus Line 10; divide Column 1 by Column 2 and enter factor) %											
	12. Sales Factor (Attack			ER FORMANDER								
9	13. Sales Factor (Enter		ne 12)	denning denning		%						
1	14. Total of Factors (/					%						
٦	15. N.C. Apportionme on Schedule B, Line 1	ent Factor (Divide Line 1 17, and Schedule C, Line	4 by the number of facto 12)	rs present; enter res	ult here,							
	Excluded of Carolina fra the propert	corporations, qualified ca anchise and corporate in	apital intensive corpora come tax using the sale ions of this Schedule.	ations, and certain ples factor alone. The Enter the sales fac	States Using Single Sales Factor public utilities must apportion North ase corporations need not complete tor from Line 12 here, on Schedule for more information.)	%						
	Special ap motor carri apportionn	pportionment portionment formulas a jers, and railroad comp nent factor here, on Sc fings and G.S. 105, 130, 4 fe	anies. If you use a s hedule B, Line 17, an	pecial apportionme	ich as telephone companies, ent formula, enter the computed Line 12.							

PAGE 1

Form	. 1	120		U	.S. C	orpo	ration	Incom	е Та	x R	eturn				OMB No. 154	5-0123	
Dep	n ■ artment	t of the Treasury	For cale	endar year 2011	or tax y	rear begi	inning		, 2011				, 20		201	4	
***	nal Rev Check i	enue Service			THE CONTRACTOR OF THE PARTY OF	>	See separa	ite instruc	tions.	g coges homes consider	andered Francisco States (S. 18	√5α54.3(3+√-					
1a (onsolid	dated return		Name									B Employer identification number				
		orm 851) . L	TYPE	ABC Loss C				 					ххххххххх				
d	ated re	turn	OR	Number, street 1234 Any St		m or suite	no. If a P.O.	box, see in	structions	S.			C Date incorporated				
		I holding co. Sch. PH)	PRINT	City or town, st		7IP code							DI		x/xx/xxxx		
3 P	ersonal	service corp.		City or town, st		ZIF COGE							Ě	nai assen	s (see instructior	15)	
		uctions)	E Check	k if: (1) Initia	are and displacements of		2) Final	return	(3)	□Na	me change	A	(4) F	7 Addres	ss change	ــــــــــــــــــــــــــــــــــــــ	
	1a		<u> </u>	ird-party payme			<u> </u>			1a	ino chang		1] / tagree	oo enango	Т	
	b			s not reported						1b			1				
	C			d 1b			,			1c			 	1			
	d			es plus any oth						1d			1				
	е	Subtract line						•				***************************************	<u></u>	1e			
	2			om Form 1125-									•	2			
e	3			line 2 from line		•		,						3			
ncome	4	Dividends (S												4	5,858,000	00	
ž	5	Interest .												5	6,000	00	
	6	Gross rents												6			
	7	Gross royalt	ies											7			
	8	Capital gain	net incom	ne (attach Sche	dule D (l	Form 112	20))							8			
	9	Net gain or (loss) from	Form 4797, Pa	art II, line	9 17 (atta	ch Form 47	'97) .						9			
	10	Other incom	e (see inst	tructions—attac	ch sched	dule) .								10	5,000,000	00	
	11_			es 3 through 10									. ▶	11	10,864,000	00	
.S.	12			ers from Form									. 📂	12		<u> </u>	
on deductions.)	13			ss employment	credits)									13		ļ	
g	14	Repairs and		nce										14		ļ	
9	15	Bad debts .								•				15		 	
5	16	Rents								•				16		 	
instructions for limitations	17 18	Taxes and lic	censes .							•			•	17		 	
	19	Interest . Charitable co								•				18	30000000000000000000000000000000000000	 	
Ē	20			m 4562 not clai	· ·						· · · ·		9	19	The second second second	 	
- I	21	Depletion .			med on	FORM 11	25-A Or elsi	ewitere on	return	(attaci	FORM 45	102) .	•	21		-	
18 6	22	Advertising			• •					•			•	22		 	
iţi.	23	Pension, pro	fit-sharino	ı. etc plans						•			•	23		 	
unc	24	Employee be	Ū											24		 	
in Si	25			activities deduc										25			
9	26	Other deduc												26	6,588,500	00	
Deductions (See	27	Total deduc	tions. Ad	ld lines 12 throu	ugh 26 .								. 🍽	27	6,588,500	00	
.0	28	Taxable inco	me before	e net operating	ioss dec	duction a	ind special	deductions	s. Subtr	act line	e 27 from	line 11	1.	28	4,275,500	00	
ည	29a	Net operating	g loss ded	luction (see inst	tructions	s)				29a							
ě	b	Special dedu	uctions (Sc	chedule C, line	20)					29b	5,04	18,000	00				
	c	Add lines 29		Annual Control of the									,	29c	5,048,000	00	
and,	30			otract line 29c fr									•	30	(772,500	00)	
edits	31			Part I, line 11)									•	31		 	
e Cr	32			fundable credit	,		•	,						32		<u> </u>	
ndable Cr	33			(see instruction									Ш	33			
Sefur P	34 35			32 is smaller th				•					•	34			
Tax, Refundable Credits, and Payments	36	_		32 is larger thar 35 you want: (ount ov	erpaid [funded	≰ b	35 36	· · · · · · · · · · · · · · · · · · ·	 	
<u></u> 1	Ť	Under penalties of	of perjury, I de	eclare that I have exa	amined this	s return, inc	luding accompa	anying sched	ules and st	tatement	s, and to the				belief, it is true, co	orrect,	
Sig	n	and complete. De	eclaration of p	oreparer (other than	taxpayer) is	s based on	all information	of which prep	arer has a	ny know	edge.			tay the IRS	S discuss this retu	ırn	
He	- 1							k.					W	ith the pre	eparer shown belg	<u>w</u>	
		Signature of of	ficer				Date	Title	е				— (s	ee instruc	tions)? Yes	No	
Pai	d 	Print/Type	preparer's r	name		Preparer's	s signature			D:	ate		Chac	k 🗍 if	PTIN		
	pare	er												mployed			
	e On		e >									Firm's	EIN Þ	•			
		Firm's addr	ress ▶									Phone	no.				

Scl	nedule C Dividends and Special Deductions (see instructions)	(a) Dividends received	(b) %	(c) Special deductions (a) × (b)
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)		70	
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)	4,050,000	80	3,240,000
3	Dividends on debt-financed stock of domestic and foreign corporations		see instructions	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities		42	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities		48	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs		70	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs		80	,
8	Dividends from wholly owned foreign subsidiaries		100	
9 10	Total. Add lines 1 through 8. See instructions for limitation		100	3,240,000
11	Dividends from affiliated group members	1,808,000	100	1,808,000
12	Dividends from certain FSCs		100	
13	Dividends from foreign corporations not included on lines 3, 6, 7, 8, 11, or 12			
14	Income from controlled foreign corporations under subpart F (attach Form(s) 5471) .			
15	Foreign dividend gross-up			
16	IC-DISC and former DISC dividends not included on lines 1, 2, or 3			ANGINERAL STATES
17	Other dividends			
18	Deduction for dividends paid on certain preferred stock of public utilities			
19	Total dividends. Add lines 1 through 17. Enter here and on page 1, line 4 ▶	5,858,000		
20	Total special deductions. Add lines 9, 10, 11, 12, and 18. Enter here and on page 1, line	29b	⊳	5,048,000

Form **1120** (2011)

Sch	edule L Balance Sheets per Books	Beginnin	g of tax year	End of tax year					
	Assets	(a)	(b)	(c)	(d)				
1	Cash								
2a	Trade notes and accounts receivable			THE CONTRACT OF THE CONTRACT O					
b	Less allowance for bad debts	()		()					
3	Inventories			2 / Shipping 1					
4	U.S. government obligations								
5	Tax-exempt securities (see instructions)								
6	Other current assets (attach schedule)								
7	Loans to shareholders								
8	Mortgage and real estate loans			arajadakenta Militaribi					
9	Other investments (attach schedule)								
10a	Buildings and other depreciable assets			PELONINHIEE I 200 FRIEDROOM WEGONIOUS CONSOLIONOUS GRAND CONTRACTOR AND CONTRACTOR OF THE					
b	Less accumulated depreciation	()		()	A STATE OF THE PARTY OF THE PAR				
11a	Depletable assets				Colonia de la				
b	Less accumulated depletion	()		()	AND COMMENT OF THE PROPERTY OF				
12	Land (net of any amortization)								
13a	Intangible assets (amortizable only)	The second secon		200 Med. of 2000 Med.					
b	Less accumulated amortization	()		()	V 1/2 (Max. 1981)				
14	Other assets (attach schedule)								
15	Total assets								
	Liabilities and Shareholders' Equity								
16	Accounts payable			TO SERVICE AND PARTY.					
17	Mortgages, notes, bonds payable in less than 1 year								
18	Other current liabilities (attach schedule)								
19	Loans from shareholders								
20	Mortgages, notes, bonds payable in 1 year or more								
21	Other liabilities (attach schedule)								
22	Capital stock: a Preferred stock								
	b Common stock								
23	Additional paid-in capital								
24	Retained earnings—Appropriated (attach schedule)								
25	Retained earnings—Unappropriated				Commission (1977) of the American Commission (1977)				
26	Adjustments to shareholders' equity (attach schedule)								
27	Less cost of treasury stock		((
28	Total liabilities and shareholders' equity	DANNER ETT							
Solute	Schedule M=1 Reconciliation of Income (Loss) per Books With Income per Return Note: Schedule M-3 required instead of Schedule M-1 if total assets are \$10 million or more—see instructions								
4	· · · · · · · · · · · · · · · · · · ·	T			ions				
•	Net income (loss) per books	4,375,500	· moonie recorde	d on books this year					
2 3	Federal income tax per books			this return (itemize):					
		Figure 88. Control	rax-exempt inte	rest \$					
4	Income subject to tax not recorded on books		Municipal R	ond Interest Income	100,000				
	this year (itemize):				100,000				
5	Expenses recorded on books this year not			nis return not charged ome this year (itemize):					
•	deducted on this return (itemize):			. \$					
а	Depreciation \$		b Charitable contribu	utions \$					
b	Charitable contributions . \$								
c	Travel and entertainment . \$								
•				2	100,000				
6	Add lines 1 through 5	4,375,500	₹		4,275,500				
	edule M-2 Analysis of Unappropriated		as per Books (Line	25. Schedule L	7,230,000				
1	Balance at beginning of year			Cash					
2	Net income (loss) per books			Stock	** ***********************************				
3	Other increases (itemize):			Property					
			6 Other decreases	(itemize):					
		7		6					
4	Add lines 1, 2, and 3			year (line 4 less line 7)					

CD-405 Web 10-11

Corporation Tax Return 2011 North Carolina Department of Revenue

Submit forms in the following order: CD-V, NC-478VJ, CD-479, NC-478, NC-478 series, CD-405, followed by CD-425

For calendar year 2011, or other tax year beginning (MM-DD) Legal Name (First 35 Characters) (USE CAPITAL LETTERS FOR YOUR NAME AND ADDRESS) Federal Employer ID Number LOSS CO $X \quad X \quad \longrightarrow \quad X \quad X \quad X \quad X \quad X \quad X$ Address **NAICS Code** Secretary of State ID 1234 ANY STREET State Zip Code Gross Receipts / Sales CITY NC56789 .00 Fill in all applicable circles: Initial Filer NC-478 is attached Captive REIT **Total Assets per Balance Sheet** Fed Schedule M-3 is attached ○ Final Return CD-479 is attached Foreign Corp .00 (Outside U.S.) Combined Return ○ Amended Return ○ Nonprofit/Tax Exempt Is this corporation related to another corporation as: (Attach a copy of the appropriate federal income tax schedule reflecting the relationship) Subsidiary Affiliate Enter the amount of bonus depreciation Enter the amount of Section 179 from Sch. H, Line 1(g) .00 expense from Sch. H, Line 1(h) .00 1. Capital Stock, Surplus, and Undivided Profits Holding (From Schedule C, Line 13) Company a A Exception 2. Investment in N.C. Tangible Property (See in ictions) Franchise (From Schedule D. Line 8) 3. Appraised Value of N.C. Tangi pert (From Schedule E, Line 2) 4. Taxable Amount Line 1, 2, or 3, whichever is greatest Computation of 5. Total Franchise Tax Due Multiply Line 4 by .0015 (\$1.50 per \$1, 9 - mini........ \$35.00) 6. Payment with Application for Franchise Tax Extension (From Form CD-419, Line 9) 7. Tax Credits (Fro. Juni CP 125, i 2, Line 5) If a tax credit is clain Li 7, In CD-425 M 8. Franchise Tax D - If the Jam of Line 6 plus 7 is less than Line 5, enter difference here and on Page 2, Line 33 9. Franchise Tax Overpaid - If the sum of Line 6 plus 7 is more than Line 5, enter difference here and on Page 2, Line 33 .00 10. Federal Taxable Income Before NOL If amount on Line 10-12, Example: 14-16, or 18-20 10. 7 2 5 0 0 (From Schedule G, Line 30 or Federal Form 1120, .00 Line 28 minus 29b) is negative, fill in circle. ğ 11. Adjustments to Federal Taxable Income 6000 .00 (From Schedule H, Line 5) Corporate Income 12. Net Income Before Contributions 12. 7 8 5 0 0 Add (or subtract) Lines 10 and 11 13. Contributions to Donees Outside N.C. 13. ..00 (From Schedule I, Line 1c) 14. N.C. Taxable Income 14. 778500 Line 12 minus Line 13 15. Nonapportionable Income 15. 810000 (From Schedule N, Line 1) 16. Apportionable Income ō 16 1588500 Line 14 minus Line 15 Computation 17. Apportionment Factor - Enter to four decimal places 17. 70 0000 (From Schedule O, Part 1; Part 2 - Line 15; Part 3; or Part 4) 18. Income Apportioned to N.C. 1111950 .00 Multiply Line 16 by factor on Line 17 19. Nonapportionable Income Allocated to N.C. ಼ .00 (From Schedule N, Line 2) 20. Income Subject to N.C. Tax 1111950 (m) .00 Add Lines 18 and 19 21. Percentage Depletion over Cost Depletion on N.C. Property ▶ 21. (See Instructions)

Legal Name ABC LOSS CO FEIN XX-XXXXXX

	22.	Net Economic Loss (Attach schedule) If amount of 23 or 25 is a		0.00			
	23.	Income Before Contributions to N.C. Donees Line 20 minus Lines 21 and 22 Example 123 of 25 is 7	role. 23. •	1111950.00			
	24.	Contributions to N.C. Donees (From Schedule I, Line 2e)	▶ 24.	0.00			
Tax	25.	Net Taxable Income Line 23 minus Line 24	25.	111195000			
	26.	N.C. Net Income Tax Multiply Line 25 by 6.90%	26.	0.00			
ncol	27.	Annual Report Fee Include \$25.00 ONLY if filing report with the Department of Revenue. (Pay online Go to www.sosnc.com	▶ 27.	0 00			
te	28.	Add Lines 26 and 27 for an electronic filing option.)		Numeratorement # 00			
ora	29.	Payments and Credits	28.	0 • 00			
Corporate Income		a. Application for Income Tax Extension (From Form CD-419, Line 10)	▶ 29a.	0 00			
6		b. 2011 Estimated Tax (When filing an amended return, enter previous payments here.)	▶ 29b.	0 00			
Computation		c. Partnership (If a partnership payment is claimed on Line 29c, a copy of the NC K-1 MUST be attached.)	➤ 29c.	0.00			
mdu		d. Nonresident Withholding (Include copy of 1099 or W-2)	▶ 29d.	O O			
ပ္ပို		e. Tax Credits (From Form CD-425, Part 4, Line 34) If a tax credit is claimed on Line 29e, Form CD-425 MUST be attached.	▶ 29e.	0 Puncant managhan and puncanhan and puncanh			
@	30.	Add Lines 29a through 29e	30.	0.00			
	31.	Income Tax Due - If Line 30 is less than Line 28, enter difference here and on Line 34, below	31.	0,00			
	32.	Income Tax Overpaid - If Line 30 is more than Line 28, enter difference here and on Line 34, below	▶ 32.	0.00			
	33.	Franchise Tax Due or Overpayment (From Schedule A, Line 8 or 9) If amount on Line overpayment file overpaym		00.			
		Income Tax Due or Overpayment Example (From Schedule B, Line 31 or 32)	ľ	00			
	35.	Balance of Tax Due or Overpayment Add (or subtract) Lines 33 and 34	35. (00			
pun	36.	Underpayment of Estimated Income Tax (Enter letter in exceptions box, if applicable. See instructions.) Exception to Underpayment of Estimated Tax	€ 36.	terransolvenson dense eller en en de en en eller e			
Refu	37.	a. Interest (See instructions)	▶ 37a.	· · · · · · · · · · · · · · · · · · ·			
Ö		b. Penalties (See instructions)	▶ 37b.				
Oue			y in U.S. Currency 38. m a Domestic Bank	, 00			
Ä		Overpayment Overpayment	39.	.00			
and the second	40.	Amount of Line 39 applied to 2012 Estimated Income Tax	▶ 40.	.00			
	41.	1. Amount of Line 39 contributed to N.C. Nongame and Endangered Wildlife Fund ▶ 41.					
		Amount to be Refunded Line 39 minus Lines 40 and 41	▶ 42.	han sain de la commanda de la communicación de			
Signature and Corporate Telephone							
Title of Officer: Certify that, to the best of my knowledge, this return is accurate and complete. Number: Number: (Important: Include Area Code)							
Signature of Preparer's FEIN SSN PTIN:							
Paid Preparer: Certify that, to the best of my knowledge, this return is accurate and complete.							

© Federal Taxable Income Be Complete this schedule if you do not attach a cop	efore NOL Deduction by of your federal income tax return
a. Merchant card and third-party payment	. 00
b. Gross receipts or sales	•00
c. Returns and allowances	.00
d. Balance (Line 1a plus 1b minus Line 1c)	
2. Cost of goods sold (Attach schedule)	-00
3. Gross Profit (Line 1d minus Line 2)	•00
4. Dividends (Attach schedule)	_00
S. a. Interest on obligations of the United States and its instrumentalities	a00
b. Other interest	
6. Gross rents	•00
7. Gross royalties	
8. Capital gain net income (Attach schedule)	•00
9. Net gain (loss) (Attach schedule)	
- ` '` '	200
10. Other income (Attach schedule) 11. Total Income	AND 100 PER 10
Add Lines 3 through 10	
12. Compensation of officers	00
(Attach schedule) 13. Salaries and wages	
(Less employment credits)	
14. Repairs and maintenance	
15. Bad debts	.00
16. Rents	
17. Taxes and licenses	
10. Interest	.00
19. Charitable contributions	.00
20. a. Depreciation	
b. Depreciation included in cost of goods sold	THE WOOD OF STREET OF STREET,
c. Balance (Line 20a minus Line 20b)	
21. Depletion	00
22. Advertising	100 and 100 an
23. Pension, profit-sharing, and similar plans	ь00
24. Employee benefit programs	•00
25. Domestic production activities deduction	
26. Other deductions (Attach schedule)	.00
27. Total Deductions Add Lines 12 through 26	.00
28. Taxable Income per Federal Return Before NOL and Special Deductions Line 11 minus Line 27	**************************************
29. Special Deductions (From Federal Form 1120, Line 29b)	
30. Federal Taxable Income Before NOL Line 28 minus Line 29; enter amount here and on Schedule B, Line 10	.00

FEIN A	al Tayabla Income					
Adjustments to Federal Taxable Income						
1. Additions:	00					
a. Taxes based on net income	· насельный при					
b. Dividends paid by captive REITs						
c. Contributions						
d. Royalties paid to related members (See instructions)	,00					
e. Expenses attributable to income not taxed (See instructions)	not a material resource consequence de constituente con una servicio de constituente con consequence de consequ					
f. Domestic production activities deduction (From Schedule G, Line 25)	фессионный наимоней пасавания на выполнений на					
g. Bonus Depreciation						
h. Section 179 expense deduction	**************************************					
i. Other (Attach explanation or schedule)	•••••••••••••••••••••••••••••••••••••••					
2. Total Additions (Add Lines 1a-1i)						
3. Deductions:						
a. U.S. obligation interest (net of expenses)	6,000 .00					
b. Other deductible dividends (See instructions)						
c. Dividends received from captive REITs						
members (See instructions)						
	.00					
f. Bonus depreciation	00					
, , , , , , , , , , , , , , , , , , ,	00					
	6 000 00					
· · · · · · · · · · · · · · · · · · ·	6,000 00					
Taxable Income Line 2 minus Line 4, enter amount	(6,000 ,00)					
outside N.C.						
 b. Multiply the amount shown on Schedule B, Line 12 by 5% 						
e. Interest on deposits with FHLB (net of expenses) S&L's only f. Bonus depreciation (See instructions) g. Section 179 expense deduction h. Other (Attach explanation or schedule) Total Deductions (Add Lines 3a-3h) Adjustments to Federal Taxable Income Line 2 minus Line 4, enter amount here and on Schedule B, Line 11 Contributions to Donees Outside N.C. a. Enter total contributions to donees outside N.C. b. Multiply the amount shown on Schedule B, Line 12 by 5% c. Amount Deductible Enter the lesser of Line 1a or 1b here and on Schedule B, Line 13	00					
2. Contributions to N.C. Donees	X.					
donees other than those listed in	20					
,						
	. 00					
d. Enter total contributions to the State of N.C. and its political subdivisions	,00					
e. Amount Deductible Add Lines 2c and 2d; enter total						
here and on Schedule B, Line 24	.00					
① Explanation of Changes fo Attach additional sheets	r Amended Return if necessary					
Text Constant for an international medical and a constant of a constant	10-y-1-fr-CB 18-b-1-q-1-b-1-b-1-b-1-b-1-b-1-b-1-b-1-b-1					

	income. See	Complete this schedule only if you apportion income to North Carolina and to other states AND you have income classified as nonapportionable income. See the instructions for an explanation of what is apportionable income and what is nonapportionable income .									
)e	(A) N	Nonapportionable Inc	come	(B) Gros Amou		(C) Related Expens		(D) Net Amounts (Column B minus Colum		(E) Net Amoun Directly to	
e Incon	DIVIDE	END INCOME		810,00	0.00	- MONTON CONTROL OF THE ACTION		810,000.00			
Nonapportionable Income				and which the control of the control	Makes in commence of the comme				A CONTRACTOR OF THE STATE OF TH		mang-getu masasan upakan si Balupunga men sementen se gega garapata manjak danpata ya opatas si
	2. Nonapp	ortionable Income					15)	810,000	.00		0.00
2	and on Schedule B, Line 19) Explanation of why income listed in chart is nonapportionable income rather than apportionable income:										
		(Attach additional sheets if necessary) * For an acceptable means of computing related expenses, see 17 N.C.A.C. 5C .0304.									
		Domestic and Othe Enter 100% on Sche	dule B, Line	17 and Sche	dule C,	Line 12	ana magapin			100.0	0000 %
	Part 2.	Corporations Appo Vote: Apportionme	rtioning Fran nt factors mu	nchise or Inc st be calcul	come to ated 4 p	N.C. and to O places to the rig	ther s	States the decimal. Exa	mple:	99.9	9999 %
a_			1. W	Vithin Nor	th Car	olina		2. Total Every	wher	9	7
Factor			(a) Beginn	ning Period	(b) E	inding Period	(a)) Beginning Period (b) En	ding Period	
ě	1. Land		***************************************		***************************************				www.modelnoon.com		
ž	2. Buildings				·	White Co.			unadout Value over and hell		
ē	3. Inventorie				van	A THEORY WAS ARREST TO THE PARTY OF THE PART	- []		Reference on the contract states		, 1720a
Ž	4. Other pro	• •	>10010000000000000000000000000000000000	······				**************************************			
Ţ.	5. Total (Add	,	was a constant of the constant	2479999239999994899999999999999999999999999	the committee of the co		din WARD				
Apportionment	6. Average value of property Add amounts on Line 5 for (a) and (b); divide by 2										
\$ 0	7. Rented p	roperty (Multiply annu	al rents by 8)	Security Code - Processing consectant decreasing process and consequences	New Process (1980)	7004812.X0000			NESCONDENSESSOR	Facto	or
		Factor (Add Lines 6 a imn 1 by Column 2 and				200000					%
1	9. Gross payroll										
#	10. Compensation of general executive officers										
Computation	11. Payroll Fa	actor (Line 9 minus Li imn 1 by Column 2 and	ne 10; l enter factor)								%
ٽ ©	12. Sales Factor (Attach schedule) Divide Column 1 by Column 2 and enter factor										
	13. Sales Factor (Enter the same factor as on Line 12)										
	14. Total of Factors (Add Lines 8, 11, 12, and 13)										
\forall	15. N.C. Apportionment Factor (Divide Line 14 by the number of factors present; enter result here, on Schedule B, Line 17, and Schedule C, Line 12)										
	Part 3. Corporations Apportioning Franchise or Income to N.C. and to Other States Using Single Sales Factor Excluded corporations, qualified capital intensive corporations, and certain public utilities must apportion North Carolina franchise and corporate income tax using the sales factor alone. These corporations need not complete the property and payroll factor sections of this Schedule. Enter the sales factor from Line 12 here, on Schedule B, Line 17, and on Schedule C, Line 12. (See instructions and G.S.105-130.4 for more information.)							%			
4	n a	pecial Apportionm pecial apportionmer notor carriers, and ra pportionment factor See instructions and G.S	nt formulas ap ilroad compa here, on Sch	anies. If you edule B, Line	use a sp e 17, and	pecial apportion	ment	as telephone companies, formula, enter the compu e 12.	ited		% %