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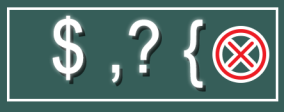
NCDOR NORTH CAROLINA DEPARTMENT OF REVENUE

Instructions for Handwritten Forms

Guidelines

Do not use red ink. Use blue or black ink.

Do not use dollar signs, commas, or other punction marks.



Printing

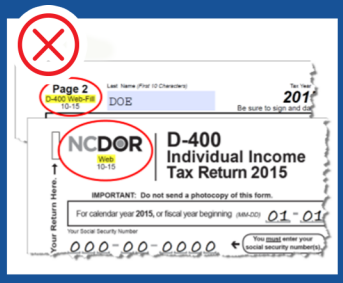
Set page scaling to "none." The Auto-Rotate and Center checkbox should be unchecked.

Do not select "print on both sides of paper."

Before You Send

Do not submit photocopies of returns. Submit originals only.

Do not mix form types



NCDOR
Web
7-25

CD-401S
S-Corporation Tax Return 2025

For calendar year **2025,** or other tax year beginning *(MM-DD)* __ - __ - **2 5** and ending *(MM-DD-YY)* __ - __ - __ | *DOR Use Only*

Legal Name *(First 35 Characters) (USE CAPITAL LETTERS FOR YOUR NAME AND ADDRESS)*

Federal Employer ID Number ▶ __ - _____

Address

Secretary of State ID ▶ _____ **NAICS Code** ▶ _____

City **State** **Zip Code**

▶ Fill in all applicable circles:
- ○ **Initial Return**
- ○ **Final Return**
- ○ **Short Year Return**
- ○ **NC-Rehab is attached**
- ○ **NC-478 is attached**
- ○ **Amended Return**
- ○ **Has Nonresident Shareholders**
- ○ **Has Escheatable Property**
- ○ **NC-PE is attached**

Gross Receipts / Sales ▶ _____.00

▶ **Qualified Subchapter S Subsidiary** *Type of S-Corporation (select one, if applicable)*
○ Parent of a Qualified Subchapter S Subsidiary ○ Qualified Subchapter S Subsidiary
(If either circle above is filled in, see Schedule F, Line 7 to provide additional information.)

Total Assets per Balance Sheet ▶ _____.00

N.C. Education Endowment Fund: You may contribute to the N.C. Education Endowment Fund by making a contribution or designating some or all of your overpayment to the Fund. To make a contribution, enclose Form NC-EDU and your payment of $ _____. To designate your overpayment to the Fund, enter the amount of your designation on Page 2, Line 33. See instructions for information about the Fund.

Taxed S Corporation Is the S Corporation making the election to be a Taxed S Corporation for tax year 2025? ○ Yes ○ No

Federal Extension Were you granted an automatic extension to file your 2025 federal income tax return (Form 1120S)? ○ Yes ○ No

Ⓐ Computation of Franchise Tax

1. **Net Worth** *(From Schedule C, Line 9)* — **Holding Company Exception** *(See instructions)* ○ ▶ 1. _____.00
2. **Total Franchise Tax Due**
   If Line 1 ≤ $1,000,000, the minimum tax due of $200 is applicable.
   If Line 1 > $1,000,000, multiply the amount over $1,000,000 by .0015 and add $200. ▶ 2. _____.00
3. **Payment with Franchise Tax Extension** *(From Form CD-419, Line 9)*
   When filing an amended return see instructions. ▶ 3. _____.00
4. **Tax Credits** *(From Form CD-425, Part 2, Line 14)*
   If a tax credit is taken on Line 4, Form CD-425 ***MUST*** *be attached.* ▶ 4. _____.00
5. **Franchise Tax Due** - If the sum of Line 3 plus 4 is less than Line 2, enter difference here and on Page 2, Line 24 5. $ _____.00
6. **Franchise Tax Overpaid** - If the sum of Line 3 plus 4 is more than Line 2, enter difference here and on Page 2, Line 24 ▶ 6. _____.00

Ⓑ Computation of Corporate Income Tax

7. **Shareholders' Shares of Corporation Income (Loss)** *(From Schedule H, Line 11 or Federal Schedule K, Lines 1-10)* ▶ 7. ○ _____.00
8. **Adjustments to Corporation Income (Loss)** *(From Schedule I, Line 3)* ▶ 8. ○ _____.00
9. **N.C. Taxable Income** Add Lines 7 and 8 9. ○ _____.00

   If amount on Line 7-11 or 13-17 is negative, fill in circle. Example: ●
10. **Nonapportionable Income** *(From Schedule N, Line 1)* ▶ 10. ○ _____.00
11. **Apportionable Income** Line 9 minus Line 10 ▶ 11. ○ _____.00
12. **Apportionment Factor** - Enter to four decimal places *(From Schedule O, Part 1; Part 2 - Line 9; or Part 3)* ▶ 12. _____ . _____ %
13. **Income Apportioned to N.C.** Multiply Line 11 by factor on Line 12 ▶ 13. ○ _____.00
14. **Nonapportionable Income Allocated to N.C.** *(From Schedule N, Line 2)* ▶ 14. ○ _____.00
15. **Total Net Taxable Income** - Add Lines 13 and 14 *(Skip to Line 20 if not a composite filer or a Taxed S Corporation)* 15. ○ _____.00
16. **Amount of Line 15 Attributable to Nonresidents Filing Composite Return** *(Composite Filers Only)* ▶ 16. ○ _____.00
17. **Net Taxable Income Attributable to All Shareholders When a Taxed S Corporation Election is Made** *(From Line 15; Taxed S Corporation Filers Only)* ▶ 17. ○ _____.00
18. **Separately Stated Items of Income Attributable to Nonresidents Filing Composite or to All Shareholders When a Taxed S Corporation Election is Made** *(See instructions)* ▶ 18. _____.00

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Legal Name _____ **FEIN** _____

Ⓑ Computation of Corporate Income Tax

19. North Carolina Income Tax - Add Lines 16, 17, and 18; multiply the sum by 4.25% (.0425) ▶ 19. .00

20. Payments and Credits *When filing an amended return, see instructions.*

a. Income Tax Extension *(From Form CD-419, Line 10)* ▶ 20a. .00

b. Estimated Tax and Other Prepayments of Tax ▶ 20b. .00

On Lines 20c through 20e, enter only the amounts attributable to nonresidents filing composite or to Taxed S Corporations.

c. Partnership *(If a partnership payment is taken on Line 20c, a copy of Form D-403 NC K-1 **MUST** be attached.)* ▶ 20c. .00

d. Nonresident Withholding *(Include copy of 1099 or W-2)* ▶ 20d. .00

e. Tax Credits *(From Form CD-425, Part 4, Line 30) If a tax credit is taken on Line 20e, Form CD-425 **MUST** be attached.* ▶ 20e. .00

21. Add Lines 20a through 20e 21. .00

22. Income Tax Due - If Line 21 is less than Line 19, enter difference here and on Line 25 22. $ .00

23. Income Tax Overpaid - If Line 21 is more than Line 19, enter difference here and on Line 25 ▶ 23. .00

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Tax Due or Refund

24. Franchise Tax Due or Overpayment *(From Schedule A, Line 5 or 6)* 24. ○ .00

25. Income Tax Due or Overpayment *(From Schedule B, Line 22 or 23)* 25. ○ .00

26. Balance of Tax Due or Overpayment Add (or subtract) Lines 24 and 25 26. ○ .00

If amount on Line 24-26 is an overpayment fill in circle. Example: ●

27. Underpayment of Estimated Income Tax *(Enter letter in exceptions box, if applicable. See instructions.)* **Exception to Underpayment of Estimated Tax** ▶ ▶ 27. .00

28. a. Interest ▶ 28a. .00

b. Penalties ▶ 28b. .00

c. Add Lines 28a and 28b and enter the total on Line 28c 28c. .00

29. Total Due - Add Lines 26, 27, and 28c and enter result here, but not less than zero. If less than zero, enter amount on Line 30. ***Pay your tax online. See instructions.*** **Pay in U.S. Currency From a Domestic Bank** 29. .00

30. Overpayment 30. .00

31. Amount of Line 30 applied to **2026 Estimated Income Tax** ▶ 31. .00

32. Amount of Line 30 contributed to **N.C. Nongame and Endangered Wildlife Fund** ▶ 32. .00

33. Amount of Line 30 contributed to **N.C. Education Endowment Fund** ▶ 33. .00

34. Amount to be Refunded Line 30 minus Lines 31, 32, and 33 ▶ 34. .00

I declare and certify that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature and Title of Officer: _____ Date _____

Corporate Phone Number *(Include area code)* ▶ ___ – ___ – ____

☐ Check here if you authorize the North Carolina Department of Revenue to discuss this return and attachments with the paid preparer below.

PAID PREPARER USE ONLY

If prepared by a person other than taxpayer, this certification is based on all information of which the preparer has any knowledge.

Signature of Paid Preparer: _____ Date _____

Preparer's FEIN, SSN, or PTIN ▶ _____

Preparer's Contact Phone Number *(Include area code)* ___ – ___ – ____

Fill in applicable circle: ○ **FEIN** ○ **SSN** ○ **PTIN**

MAIL TO: N.C. Dept. of Revenue, P.O. Box 25000, Raleigh, N.C. 27640-0500. Returns are due by the 15th day of the 4th month after the end of the income year.

 Legal Name _____ **FEIN** _____

Ⓒ Net Worth

1. Total assets *(See instructions for definition)*	1.	.00
2. Total liabilities	2.	.00
3. Line 1 minus Line 2	3.	.00
4. Accumulated depreciation, depletion, and amortization permitted for income tax purposes *(Attach Schedule)*	4.	.00
5. Line 3 minus Line 4	5.	.00
6. Affiliated indebtedness *(Attach schedule)* _____	6.	.00
7. Line 5 plus (or minus) Line 6	7.	.00
8. Apportionment factor *(From Schedule O, Part 1; Part 2 - Line 9; or Part 3)*	8.	___.____ %
9. Net Worth Multiply Line 7 by factor on Line 8 and enter result here and on Schedule A, Line 1. If amount on Line 9 is less than zero, enter zero on Schedule A, Line 1.	9.	.00

Ⓕ Other Information - All Taxpayers Must Complete this Schedule

1. State of incorporation _____ Date incorporated _____

2. Date Certificate of Authority was obtained from N.C. Secretary of State _____

3. Regular or principal trade or business in N.C. _____ Everywhere _____

4. Principal place from which business is directed or managed _____

5. What was the last year the IRS redetermined the corporation's federal taxable income? _____

Were the adjustments reported to N.C.? ○ **Yes** ○ **No** If so, when? _____

6. Is this corporation subject to franchise tax but not N.C. income tax because the corporation's income tax activities are protected under P.L. 86-272? ○ **Yes** *(Attach detailed explanation)* ○ **No**

7. If corporation is a Qualified Subchapter S Subsidiary, enter parent's name and FEIN below, and attach a schedule of affiliates.

Parent Name _____ FEIN _____

If corporation is the Parent of a Qualified Subchapter S Subsidiary, attach a schedule of affiliates.

 Legal Name _____ **FEIN** _____

Ⓖ Ordinary Income (Loss) from Trade or Business Activities

(Complete this schedule only 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
c. Balance *(Line 1a minus Line 1b)*		.00
2. Cost of goods sold *(Attach schedule)*		.00
3. Gross profit *(Line 1c minus Line 2)*		.00
4. Net gain (loss) *(Attach schedule)*		.00
5. Other income (loss) *(Attach schedule)*		.00
6. Total Income (Loss) Add Lines 3 through 5		.00
7. Compensation of officers *(Attach schedule, including addresses)*		.00
8. Salaries and wages *(Less employment credits)*		.00
9. Repairs and maintenance		.00
10. Bad debts		.00
11. Rents		.00
12. Taxes and licenses		.00
13. Interest		.00
14. a. Depreciation _____ b. Depreciation included in cost of goods sold _____ c. Balance *(Line 14a minus 14b)*		.00
15. Depletion		.00
16. Advertising		.00
17. Pension, profit-sharing, and similar plans		.00
18. Employee benefit programs		.00
19. Energy efficient commercial buildings *(Attach Form 7205)*		.00
20. Other deductions *(Attach schedule)*		.00
21. Total Deductions Add the amounts shown in the far right column for Lines 7 through 20		.00
22. Ordinary Business Income (Loss) Line 6 minus Line 21; enter amount here and on Schedule H, Line 1		.00

Ⓗ Computation of Income (Loss)

1. Ordinary business income (loss)	.00
2. Net rental real estate income (loss)	.00
3. Other net rental income (loss)	.00
4. Interest income	.00
5. Ordinary dividends	.00
6. Royalties *(Attach Schedule)*	.00
7. Net short-term capital gain (loss)	.00
8. Net long-term capital gain (loss)	.00
9. Net section 1231 gain (loss)	.00
10. Other income (loss) *(Attach schedule)*	.00
11. Total Income (Loss) Add Lines 1 through 10 and enter amount here and on Schedule B, Line 7	.00

Ⓘ Adjustments to Income (Loss)

1. Additions to Federal Adjusted Gross Income (Loss): *(From Form NC-PE, Part A, Total Additions) (Attach Form NC-PE)*	.00
2. Deductions from Federal Adjusted Gross Income (Loss): *(From Form NC-PE, Part B, Total Deductions) (Attach Form NC-PE)*	.00
3. Adjustments to Income (Loss) Line 1 minus Line 2; enter result here and on Schedule B, Line 8	.00

Ⓙ Explanation of Changes for Amended Return

 Legal Name _____ **FEIN** _____

Ⓚ Shareholders' Pro Rata Share Items

	Shareholder 1	Shareholder 2	Shareholders' Total
1. Identifying Number			
2. Name			
3. a. Address			
b. Is shareholder a nonresident?	○ Yes ○ No	○ Yes ○ No	
4. Percentage of ownership	. %	. %	. %
5. Share of income (loss) *(From Schedule H, Line 11)*			
6. Additions to income (loss) *(From Schedule I, Line 1)*			
7. Deductions from income (loss) *(From Schedule I, Line 2)*			
8. Income subject to N.C. tax Add (subtract) Lines 5, 6, and 7			
9. Share of tax credits *(See instructions)*			
10. Share of tax withheld from nonwage compensation			
11. Amount of Line 8 apportioned or allocated to N.C. (nonresidents only)			
12. Separately stated items of income (nonresidents only)			
13. Net tax paid for shareholder by corporation (nonresidents only)			
14. Taxed S Corporation Additions *(Share of loss attributable to NC)*			
15. Taxed S Corporation Deductions *(Share of income attributable to NC)*			
16. Is the corporation filing a Nonresident Shareholder Agreement, Form NC-NA, for this shareholder with this return?	○ Yes ○ No	○ Yes ○ No	
17. Has the corporation filed a Nonresident Shareholder Agreement, Form NC-NA, for this shareholder in a previous tax year?	○ Yes ○ No	○ Yes ○ No	
If yes, what tax year? *(Enter tax year end date)*	- - *(MM-DD-YY)*	- - *(MM-DD-YY)*	

(Attach additional pages if needed)

 Legal Name _____ **FEIN** _____

L Balance Sheet per Books

Assets	Beginning of Tax Year		End of Tax Year	
1. Cash				
2. a. Trade notes and accounts receivable				
b. Less allowance for bad debts	( )		( )	
3. Inventories				
4. a. U.S. government obligations				
b. State and other obligations				
5. Tax-exempt securities				
6. Other current assets *(Attach end of year schedule)*				
7. Loans to shareholders				
8. Mortgage and real estate loans				
9. Other investments *(Attach end of year schedule)*				
10. a. Buildings and other depreciable assets				
b. Less accumulated depreciation	( )		( )	
11. a. Depletable assets				
b. Less accumulated depletion	( )		( )	
12. Land *(net of any amortization)*				
13. a. Intangible assets *(amortizable only)*				
b. Less accumulated amortization	( )		( )	
14. Other assets *(Attach end of year schedule)*				
15. **Total Assets**				
Liabilities and Shareholders' Equity				
16. Accounts payable				
17. Mortgages, notes, and bonds payable in less than 1 year				
18. Other current liabilities *(Attach end of year schedule)*				
19. Loans from shareholders				
20. Mortgages, notes, and bonds payable in 1 year or more				
21. Other liabilities *(Attach end of year schedule)*				
22. Capital stock				
23. Additional paid-in capital				
24. Retained earnings				
25. Adjustments to shareholders' equity *(Attach end of year schedule)*				
26. Less cost of treasury stock		( )		( )
27. **Total Liabilities and Shareholders' Equity**				

M-1 Federal Schedule

1. Net income (loss) per books		5. Income recorded on books this year not included on Federal Schedule K, Lines 1 through 10 *(itemize)*: Tax-exempt interest $	
2. Income included on Federal Schedule K, Lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9 and 10 not recorded on books this year *(itemize):*			
3. Expenses recorded on books this year not included on Federal Schedule K, Lines 1 through 12e, and 16f *(itemize)*: a. Depreciation $ b. Travel and entertainment $		6. Deductions included on Federal Schedule K, Lines 1 through 12e, and 16f not charged against book income this year *(itemize):* Depreciation $	
		7. Add Lines 5 and 6	
4. Add Lines 1 through 3		8. Income (Loss) (Federal Schedule K, Line 18) Line 4 minus Line 7	

M-2 Analysis of N.C. AAA

	N.C. Accumulated Adjustments	N.C. Other Adjustments	Undistributed income previously taxed
1. Balance at beginning of year			
2. Ordinary income from Schedule G, Line 22			
3. Other additions			
4. Loss from Schedule G, Line 22	( )		
5. Other reductions	( )	( )	
6. Combine Lines 1 through 5			
7. Distributions other than dividend distributions			
8. Balance at end of tax year *(Line 6 minus Line 7)*			

 Legal Name _____ **FEIN** _____

Ⓝ Nonapportionable Income

Complete this schedule if you have income classified as nonapportionable income. See the instructions for an explanation of what is apportionable income and what is nonapportionable income.

(A) Nonapportionable Income	(B) Gross Amounts	(C) Related Expenses*	(D) Net Amounts *(Column B minus Column C)*	(E) Net Amounts Allocated Directly to N.C.

1. Nonapportionable Income *(Enter the total of Column D here and on Schedule B, Line 10)*	.00	
2. Nonapportionable Income Allocated to N.C. *(Enter the total of Column E here and on Schedule B, Line 14)*		.00

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.

Ⓞ Computation of Apportionment Factor

Part 1. **Domestic and Other Corporations Not Apportioning Franchise or Income Outside N.C.**
Enter 100% on Schedule B, Line 12 and Schedule C, Line 8 — *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* %

	1. Within North Carolina	2. Total Everywhere
1. Gross Receipts Subject to Apportionment		
2. Gross Rents Subject to Apportionment		
3. Gross Royalties Subject to Apportionment		
4. Dividends Subject to Apportionment		
5. Interest Subject to Apportionment		
6. Other Apportionable Income		
7. Share of Receipts from Noncorporate Entities Subject to Apportionment		
8. Total *(Add Lines 1 through 7 for each column)*		

9. N.C. Apportionment Factor %
(Divide Line 8 Column 1 by Line 8 Column 2; enter the factor here, on Schedule B, Line 12, and Schedule C, Line 8. See instructions and G.S. 105-130.4 for more information.)

Part 3. **Special Apportionment Formulas**
Special apportionment formulas apply to certain types of corporations such as banks, wholesale content distributors, electric power companies, air transportation companies, water transportation companies, pipeline companies, and railroad companies. If you use a special apportionment formula, enter the computed apportionment factor here, on Schedule B, Line 12, and on Schedule C, Line 8. Attach a schedule to support the special apportionment calculation. *(See instructions and G.S. 105 -130.4, 130.4A, and 130.4B for more information.)* %