

Instructions for Handwritten Forms

Guidelines



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



Do not use dollar
signs, commas, or
other punctuation 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



For calendar year **2025** or
other tax year beginning (MM-DD) ____ - ____ - **25** and ending (MM-DD-YY) ____ - ____ - ____

DOR
Use
Only

<p>Legal Name (First 35 Characters)(USE CAPITAL LETTERS FOR YOUR NAME AND ADDRESS)</p> <p>_____</p> <p>Address</p> <p>_____</p> <p>City _____ State _____ Zip Code _____</p>	<p>Federal Employer ID Number</p> <p>▶ _____</p> <p>Secretary of State ID _____ NAICS Code _____</p> <p>Gross Receipts / Sales</p> <p>▶ _____ .00</p> <p>Total Assets per Balance Sheet</p> <p>▶ _____ .00</p>												
<p>Fill in all applicable circles:</p> <table style="width: 100%;"> <tr> <td><input type="radio"/> Initial Return</td> <td><input type="radio"/> Captive REIT</td> <td><input type="radio"/> NC-Rehab is attached</td> </tr> <tr> <td><input type="radio"/> Final Return</td> <td><input type="radio"/> Tax Exempt</td> <td><input type="radio"/> NC-478 is attached</td> </tr> <tr> <td><input type="radio"/> Short Year Return</td> <td><input type="radio"/> Non U.S./Foreign</td> <td><input type="radio"/> Has Escheatable Property</td> </tr> <tr> <td><input type="radio"/> Amended Return</td> <td><input type="radio"/> Combined Return (Approved Taxpayers Only)</td> <td></td> </tr> </table>		<input type="radio"/> Initial Return	<input type="radio"/> Captive REIT	<input type="radio"/> NC-Rehab is attached	<input type="radio"/> Final Return	<input type="radio"/> Tax Exempt	<input type="radio"/> NC-478 is attached	<input type="radio"/> Short Year Return	<input type="radio"/> Non U.S./Foreign	<input type="radio"/> Has Escheatable Property	<input type="radio"/> Amended Return	<input type="radio"/> Combined Return (Approved Taxpayers Only)	
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Federal Extension Were you granted an automatic extension to file your 2025 federal income tax return (Form 1120)? ☐ Yes ☐ No

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 37. See instructions for information about the Fund.

A	Computation of Franchise Tax	<p>1. Net Worth (From Schedule C, Line 9) Holding Company Exception (See instructions) <input type="radio"/></p> <p>▶ 1. _____ .00</p> <p>2. Total Franchise Tax Due - If Line 1 ≤ \$1,000,000, multiply the amount by .0015 (\$1.50 per \$1,000 - min \$200, max \$500). If Line 1 > \$1,000,000, multiply the amount over \$1,000,000 by .0015 and add \$500.</p> <p>▶ 2. _____ .00</p> <p>3. Payment with Franchise Tax Extension (From Form CD-419, Line 9) When filing an amended return, see instructions.</p> <p>▶ 3. _____ .00</p> <p>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.</p> <p>▶ 4. _____ .00</p> <p>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 28</p> <p>▶ 5. \$ _____ .00</p> <p>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 28</p> <p>▶ 6. _____ .00</p>	
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B	Computation of Corporate Income Tax	<p>7. Federal Taxable Income Before NOL (From Schedule G, Line 30 or Federal Form 1120, Line 28 minus 29b)</p> <p>▶ 7. <input type="radio"/> _____ .00</p> <p>8. Adjustments to Federal Taxable Income (From Schedule H, Line 5)</p> <p>▶ 8. <input type="radio"/> _____ .00</p> <p>9. Net Income Before Contributions Add Lines 7 and 8</p> <p>▶ 9. <input type="radio"/> _____ .00</p> <p>10. Contributions to Donees Outside N.C. (From Schedule I, Line 1c)</p> <p>▶ 10. _____ .00</p> <p>11. N.C. Taxable Income Line 9 minus Line 10</p> <p>▶ 11. <input type="radio"/> _____ .00</p> <p>12. Nonapportionable Income (From Schedule N, Line 1)</p> <p>▶ 12. <input type="radio"/> _____ .00</p> <p>13. Apportionable Income Line 11 minus Line 12</p> <p>▶ 13. <input type="radio"/> _____ .00</p> <p>14. Apportionment Factor - Enter to four decimal places (From Schedule O, Part 1; Part 2 - Line 9 or Part 3)</p> <p>▶ 14. _____ %</p> <p>15. Income Apportioned to N.C. Multiply Line 13 by factor on Line 14</p> <p>▶ 15. <input type="radio"/> _____ .00</p> <p>16. Nonapportionable Income Allocated to N.C. (From Schedule N, Line 2)</p> <p>▶ 16. <input type="radio"/> _____ .00</p> <p>17. Income Subject to N.C. Tax Add Lines 15 and 16</p> <p>▶ 17. <input type="radio"/> _____ .00</p> <p>18. Percentage Depletion over Cost Depletion on N.C. Property (See Instructions)</p> <p>▶ 18. _____ .00</p>	
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Computation of Corporate Income Tax	19. State Net Loss <i>(Attach schedule)</i>	▶ 19.	_____	.00
	20. Income Before Contributions to N.C. Donees Line 17 minus Lines 18 and 19	20. <input type="radio"/>	_____	.00
	21. Contributions to N.C. Donees <i>(From Schedule I, Line 2e)</i>	▶ 21.	_____	.00
	22. Net Taxable Income Line 20 minus Line 21	22. <input type="radio"/>	_____	.00
	23. N.C. Net Income Tax Multiply Line 22 by 2.25%	▶ 23.	_____	.00
	24. Payments and Credits <i>When filing an amended return, see instructions.</i>			
	a. Income Tax Extension <i>(From Form CD-419, Line 10)</i>	▶ 24a.	_____	.00
	b. 2025 Estimated Tax	▶ 24b.	_____	.00
	c. Partnership <i>(If a partnership payment is taken on Line 24c, a copy of Form D-403 NC K-1 MUST be attached.)</i>	▶ 24c.	_____	.00
	d. Nonresident Withholding <i>(Include copy of 1099 or W-2)</i>	▶ 24d.	_____	.00
e. Tax Credits <i>(From Form CD-425, Part 4, Line 30)</i> <i>If a tax credit is taken on Line 24e, Form CD-425 MUST be attached.</i>	▶ 24e.	_____	.00	
25. Add Lines 24a through 24e	25.	_____	.00	
26. Income Tax Due - If Line 25 is less than Line 23, enter difference here and on Line 29, below	26. \$	_____	.00	
27. Income Tax Overpaid - If Line 25 is more than Line 23, enter difference here and on Line 29, below	▶ 27.	_____	.00	

Tax Due or Refund	28. Franchise Tax Due or Overpayment <i>(From Schedule A, Line 5 or 6)</i>	28. <input type="radio"/>	_____	.00
	29. Income Tax Due or Overpayment <i>(From Schedule B, Line 26 or 27)</i>	29. <input type="radio"/>	_____	.00
	30. Balance of Tax Due or Overpayment Add (or subtract) Lines 28 and 29	30. <input type="radio"/>	_____	.00
	31. Underpayment of Estimated Income Tax <i>(Enter letter in exceptions box, if applicable. See instructions.)</i>	▶ 31.	_____	.00
	32. a. Interest	▶	_____	.00
	b. Penalties	▶	_____	.00
	33. Total Due - Add Lines 30, 31, and 32c and enter result here, but not less than zero. If less than zero, enter amount on Line 34. Pay your tax online. See instructions.	33.	_____	.00
	34. Overpayment	34.	_____	.00
	35. Amount of Line 34 applied to 2026 Estimated Income Tax	▶ 35.	_____	.00
	36. Amount of Line 34 contributed to N.C. Nongame and Endangered Wildlife Fund	▶ 36.	_____	.00
37. Amount of Line 34 contributed to N.C. Education Endowment Fund	▶ 37.	_____	.00	
38. Amount to be Refunded Line 34 minus Lines 35, 36, and 37	▶ 38.	_____	.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 <i>(Include area code)</i> ▶ _____
<input type="checkbox"/> Check here if you authorize the North Carolina Department of Revenue to discuss this return and attachments with the paid preparer below.		
If prepared by a person other than taxpayer, this certification is based on all information of which the preparer has any knowledge.	Preparer's FEIN, SSN, or PTIN	Preparer's Contact Phone Number <i>(Include area code)</i>
Signature of Paid Preparer: _____	Date _____	Fill in applicable circle: <input type="radio"/> FEIN <input type="radio"/> SSN <input type="radio"/> 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.

(C) Net Worth

1. Total assets <i>(See instructions for definition)</i>	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 <i>(Attach Schedule)</i>	4. _____ .00
5. Line 3 minus Line 4	5. _____ .00
6. Affiliated indebtedness <i>(Attach schedule)</i> _____ _____	6. _____ .00
7. Line 5 plus (or minus) Line 6	7. _____ .00
8. Apportionment factor <i>(From Schedule O, Part 1; Part 2 - Line 9; or Part 3)</i>	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. <div style="border: 1px solid black; padding: 2px; display: inline-block;">_____</div> .00

(F) Other Information - All Taxpayers Must Complete this Schedule

- State of incorporation _____ Date incorporated _____
- Date Certificate of Authority was obtained from N.C. Secretary of State _____
- Regular or principal trade or business in N.C. _____ Everywhere _____
- Principal place from which business is directed or managed _____
- 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? _____
- Does this corporation finance or discount its receivables through a related or an affiliated company? ☐ Yes ☐ No
- 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? *(Attach detailed explanation)* ☐ Yes ☐ No
- Officers' names and addresses:

 President _____ Secretary _____

 Vice-President _____ Treasurer _____

Ⓜ Adjustments to Federal Taxable Income

1. Additions:

a. Taxes based on net income	_____	.00
b. Contributions	_____	.00
c. Royalties to related members	_____	.00
d. Net interest expense to related members	_____	.00
e. Expenses attributable to income not taxed	_____	.00
f. Bonus depreciation	_____	.00
g. Section 179 expense deduction	_____	.00
h. Other <i>(Attach explanation or schedule)</i>	_____	.00
2. Total Additions <i>(Add Lines 1a-1h)</i>	_____	.00
3. Deductions:		
a. U.S. obligation interest <i>(net of expenses)</i> <i>(Attach schedule)</i>	_____	.00
b. Other deductible dividends	_____	.00
c. Royalties from related members	_____	.00
d. Qualified interest expense to related members	_____	.00
e. Bonus depreciation	_____	.00
f. Section 179 expense deduction	_____	.00
g. Other <i>(Attach explanation or schedule)</i>	_____	.00
4. Total Deductions <i>(Add Lines 3a-3g)</i>	_____	.00
5. Adjustments to Federal Taxable Income		
Line 2 minus Line 4, enter amount here and on Schedule B, Line 8	<div style="border: 1px solid black; width: 150px; height: 30px; margin: 0 auto;"></div>	.00

① Contributions

a. Enter total contributions to donees outside N.C.	_____	.00
b. Multiply the amount shown on Schedule B, Line 9 by 5% if Line 9 is greater than zero. Otherwise, enter zero here.	_____	.00
c. Amount Deductible Enter the lesser of Line 1a or 1b here and on Schedule B, Line 10	<div style="border: 2px solid black; padding: 5px;">_____</div>	.00

a. Enter total contributions to N.C. donees other than those listed in Line 2d, below	_____	.00
b. Multiply the amount shown on Schedule B, Line 20 by 5% if Line 20 is greater than zero. Otherwise, enter zero here.	_____	.00
c. Enter the lesser of Line 2a or 2b	_____	.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 21	<div style="border: 1px solid black; padding: 2px;">_____</div>	.00

ⓐ Explanation of Changes for Amended Return

Attach additional sheets if necessary

Note: The letter K is not used to designate a schedule.

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 (<i>Attach end of year schedule</i>)					
7. Loans to shareholders					
8. Mortgage and real estate loans					
9. Other investments (<i>Attach end of year schedule</i>)					
10. a. Buildings and other depreciable assets					
b. Less accumulated depreciation	()			()	
11. a. Depletable assets					
b. Less accumulated depletion	()			()	
12. Land (<i>net of any amortization</i>)					
13. a. Intangible assets (<i>amortizable only</i>)					
b. Less accumulated amortization	()			()	
14. Other assets (<i>Attach end of year schedule</i>)					
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 (<i>Attach end of year schedule</i>)					
19. Loans from shareholders					
20. Mortgages, notes, and bonds payable in 1 year or more					
21. Other liabilities (<i>Attach end of year schedule</i>)					
22. Capital stock: a. Preferred Stock					
b. Common Stock					
23. Additional paid-in capital					
24. Retained earnings – Appropriated (<i>Attach end of year schedule</i>)					
25. Retained earnings – Unappropriated					
26. Adjustments to shareholders' equity (<i>Attach end of year schedule</i>)					
27. Less cost of treasury stock		()		()	
28. Total Liabilities and Shareholders' Equity					
M-1 Reconciliation of Income (Loss) per Books With Return					
1. Net income (loss) per books		7. Income recorded on books this year not included on this return (<i>itemize</i>):			
2. Federal income tax		Tax-exempt interest \$			
3. Excess of capital losses over capital gains					
4. Income subject to tax not recorded on books this year (<i>itemize</i>):		8. Deductions on this return not charged against book income this year (<i>itemize</i>):			
5. Expenses recorded on books this year not deducted on this return (<i>itemize</i>):		a. Depreciation \$			
a. Depreciation \$		b. Charitable Contributions \$			
b. Charitable Contributions \$					
c. Travel and entertainment \$		9. Add Lines 7 and 8			
6. Add Lines 1 through 5		10. Income (<i>Line 6 minus Line 9</i>)			
M-2 Retained Earnings Analysis					
1. Balance at beginning of year		5. Distributions: a. Cash			
2. Net income (loss) per books		b. Stock			
3. Other increases (<i>itemize</i>):		c. Property			
		6. Other decreases (<i>itemize</i>):			
		7. Add Lines 5 and 6			
4. Add Lines 1, 2, and 3		8. Balance at End of Year (<i>Line 4 minus Line 7</i>)			

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 <i>(Column B minus Column C)</i>	(E) Net Amounts Allocated Directly to N.C.
1. Nonapportionable Income <i>(Enter the total of Column D here and on Schedule B, Line 12)</i>			.00	
2. Nonapportionable Income Allocated to N.C. <i>(Enter the total of Column E here and on Schedule B, Line 16)</i>				.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.

Part 1. Domestic and Other Corporations Not Apportioning Franchise or Income Outside N.C.

Domestic and Other Corporations Not Apportioning Tax
Enter 100% on Schedule B, Line 14 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. 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)*

[illegible]

9. N.C. Apportionment Factor

(Divide Line 8 Column 1 by Line 8 Column 2; enter the factor here, on Schedule B, Line 14, and Schedule C, Line 8. See instructions and G.S. 105-130.4 for more information.)

%

Part 3. Special Apportionment Formulas

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 14, 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.)

%