



Instructions for Handwritten Forms

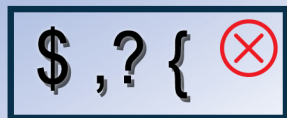
Guidelines



Do not use red ink
Use blue or black ink



Do not use dollar signs, commas, or other punctuation marks



Printing



Before printing select "actual size"



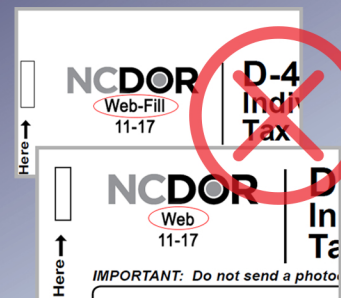
Do not select "print on both sides of paper"



Before Mailing



Do not mix form types



Do not submit photocopies of returns
Submit originals only



CD-405 C-Corporation Tax Return 2017

For calendar year 2017 or other tax year beginning (MM-DD) - - 17 and ending (MM-DD-YY) - - - DOR Use Only - / - / -

Legal Name (First 35 Characters)(USE CAPITAL LETTERS FOR YOUR NAME AND ADDRESS)
Address
City State Zip Code

Federal Employer ID Number
Secretary of State ID NAICS Code
Gross Receipts / Sales
Total Assets per Balance Sheet

Initial Return Captive REIT NC-Rehab is attached
Final Return Tax Exempt NC-478 is attached
Short Year Return Non U.S./Foreign Has Escheatable Property
Amended Return Combined Return

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 40. See instructions for information about the Fund.

Computation of Franchise Tax
1. Net Worth (From Schedule C, Line 10)
2. Investment in N.C. Tangible Property (From Schedule D, Line 7)
3. Appraised Value of N.C. Tangible Property (From Schedule E, Line 2)
4. Taxable Amount Line 1, 2, or 3, whichever is greatest
5. Total Franchise Tax Due Multiply Line 4 by .0015 (\$1.50 per \$1,000.00 - minimum \$200.00)
6. Payment with Franchise Tax Extension (From Form CD-419, Line 9) When filing an amended return, see instructions.
7. Tax Credits (From Form CD-425, Part 2, Line 14) If a tax credit is taken on Line 7, Form CD-425 MUST be attached.
8. Franchise Tax Due - If the sum of Line 6 plus 7 is less than Line 5, enter difference here and on Page 2, Line 31
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 31

Computation of Corporate Income Tax
10. Federal Taxable Income Before NOL (From Schedule G, Line 30 or Federal Form 1120, Line 28 minus 29b)
11. Adjustments to Federal Taxable Income (From Schedule H, Line 5)
12. Net Income Before Contributions Add Lines 10 and 11
13. Contributions to Donees Outside N.C. (From Schedule I, Line 1c)
14. N.C. Taxable Income Line 12 minus Line 13
15. Nonapportionable Income (From Schedule N, Line 1)
16. Apportionable Income Line 14 minus Line 15
17. Apportionment Factor - Enter to four decimal places (From Schedule O, Part 1; Part 2 - Line 14; Part 3; or Part 4)
18. Income Apportioned to N.C. Multiply Line 16 by factor on Line 17
19. Nonapportionable Income Allocated to N.C. (From Schedule N, Line 2)
20. Income Subject to N.C. Tax Add Lines 18 and 19
21. Percentage Depletion over Cost Depletion on N.C. Property (See Instructions)

B Computation of Corporate Income Tax

- 22. **State Net Loss** *(Attach schedule)*
- 23. **Income Before Contributions to N.C. Donees**
Line 20 minus Lines 21 and 22
- 24. **Contributions to N.C. Donees**
(From Schedule I, Line 2e)
- 25. **Net Taxable Income**
Line 23 minus Line 24
- 26. **N.C. Net Income Tax**
Multiply Line 25 by 3.0%
- 27. **Payments and Credits**
When filing an amended return, see instructions.
 - a. **Income Tax Extension**
(From Form CD-419, Line 10)
 - b. **2017 Estimated Tax**
 - c. **Partnership** *(If a partnership payment is taken on Line 27c, a copy of Form D-403 NC K-1 MUST be attached.)*
 - d. **Nonresident Withholding**
(Include copy of 1099 or W-2)
 - e. **Tax Credits** *(From Form CD-425, Part 4, Line 30)*
If a tax credit is taken on Line 27e, Form CD-425 MUST be attached.
- 28. **Add Lines 27a through 27e**
- 29. **Income Tax Due** - If Line 28 is less than Line 26, enter difference here and on Line 32, below
- 30. **Income Tax Overpaid** - If Line 28 is more than Line 26, enter difference here and on Line 32, below

If amount on Line 23 or 25 is negative fill in circle.
Example:



▶ 22.		.00
23. <input type="radio"/>		.00
▶ 24.		.00
25. <input type="radio"/>		.00
▶ 26.		.00
▶ 27a.		.00
▶ 27b.		.00
▶ 27c.		.00
▶ 27d.		.00
▶ 27e.		.00
28.		.00
29. \$.00
▶ 30.		.00

Tax Due or Refund

- 31. **Franchise Tax Due or Overpayment**
(From Schedule A, Line 8 or 9)
- 32. **Income Tax Due or Overpayment**
(From Schedule B, Line 29 or 30)
- 33. **Balance of Tax Due or Overpayment**
Add (or subtract) Lines 31 and 32
- 34. **Underpayment of Estimated Income Tax**
(Enter letter in exceptions box, if applicable. See instructions.)
- 35. **a. Interest** **b. Penalties**
▶ _____ .00 ▶ _____ .00
- 36. **Total Due** - Add Lines 33, 34, and 35c and enter result here, but not less than zero. If less than zero, enter amount on Line 37.
Pay your tax online. See instructions.
- 37. **Overpayment**
- 38. **Amount of Line 37 applied to 2018 Estimated Income Tax**
- 39. **Amount of Line 37 contributed to N.C. Nongame and Endangered Wildlife Fund**
- 40. **Amount of Line 37 contributed to N.C. Education Endowment Fund**
- 41. **Amount to be Refunded**
Line 37 minus Lines 38, 39, and 40

If amount on Line 31-33 is an overpayment fill in circle.
Example:

Exception to Underpayment of Estimated Tax ▶ _____

(Add Lines 35a and 35b and enter the total on Line 35c)

31. <input type="radio"/>		.00
32. <input type="radio"/>		.00
33. <input type="radio"/>		.00
▶ 34.		.00
▶ 35c.		.00
36.		.00
37.		.00
▶ 38.		.00
▶ 39.		.00
▶ 40.		.00
▶ 41.		.00

Signature and Title of Officer: _____ Date: _____ Corporate Telephone Number: _____
I certify that, to the best of my knowledge, this return is accurate and complete. (Important: Include Area Code)

Signature of Paid Preparer: _____ Preparer's FEIN SSN PTIN: _____
I certify that, to the best of my knowledge, this return is accurate and complete. (Fill in applicable circle)

(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. Treasury Stock	4. _____ .00
5. Accumulated depreciation, depletion, and amortization permitted for income tax purposes	5. _____ .00
6. Line 3 minus Lines 4 and 5	6. _____ .00
7. Affiliated indebtedness <i>(Attach schedule)</i> _____	7. _____ .00
8. Line 6 plus (or minus) Line 7	8. _____ .00
9. Apportionment factor <i>(From Schedule O, Part 1; Part 2 - Line 14; Part 3; or Part 4)</i>	9. _____ %
10. Net Worth Multiply Line 8 by factor on Line 9 and enter result here and on Schedule A, Line 1. If amount on Line 10 is less than zero, enter zero on Schedule A, Line 1.	10. <input type="text" value=""/> .00

(D) Investment in N.C. Tangible Property

1. Total value of inventories located in N.C. <i>Inventory valuation method:</i> <input type="radio"/> FIFO <input type="radio"/> Lower of cost or market <i>Other</i> _____ <small><i>(LIFO valuation not permitted)</i></small>	1. _____ .00
2. Total value of furniture, fixtures, and machinery and equipment located in N.C.	2. _____ .00
3. Total value of land and buildings located in N.C.	3. _____ .00
4. Total value of leasehold improvements and other tangible property located in N.C.	4. _____ .00
5. Add Lines 1 through 4 and enter total	5. _____ .00
6. Accumulated depreciation, depletion, and amortization with respect to N.C. tangible property	6. _____ .00
7. Investment in N.C. Tangible Property Line 5 minus Line 6; enter amount here and on Schedule A, Line 2	7. <input type="text" value=""/> .00

(E) Appraised Value of N.C. Tangible Property

1. Total appraised value of all N.C. tangible property, including motor vehicles <i>(If tax year ends December 31, 2017 through September 30, 2018, enter the appraised county tax value of all real and tangible property located in N.C. as of January 1, 2017, including any motor vehicles assessed during the tax year. Otherwise, enter value as of January 1, 2018.)</i>	1. _____ .00
2. Appraised Value of N.C. Tangible Property Multiply Line 1 by 55%; enter here and on Schedule A, Line 3	2. <input type="text" value=""/> .00

(F) 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? _____

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

7. Does this corporation finance or discount its receivables through a related or an affiliated company? Yes No

8. 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

9. Officers' names and addresses:

President _____ Secretary _____

Vice-President _____ Treasurer _____

Ⓒ 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
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. 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
7. Gross royalties	_____	.00
8. Capital gain net income (Attach schedule)	_____	.00
9. Net gain (loss) (Attach schedule)	_____	.00
10. Other income (Attach schedule)	_____	.00
11. Total Income Add Lines 3 through 10	_____	.00
12. Compensation of officers (Attach schedule)	_____	.00
13. Salaries and wages (Less employment credits)	_____	.00
14. Repairs and maintenance	_____	.00
15. Bad debts	_____	.00
16. Rents	_____	.00
17. Taxes and licenses	_____	.00
18. Interest	_____	.00
19. Charitable contributions	_____	.00
20. a. Depreciation _____		
b. Depreciation included in cost of goods sold _____		
c. Balance (Line 20a minus Line 20b)	_____	.00
21. Depletion	_____	.00
22. Advertising	_____	.00
23. Pension, profit-sharing, and similar plans	_____	.00
24. Employee benefit programs	_____	.00
25. Domestic production activities deduction	_____	.00
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	_____	.00
29. Special Deductions (From Federal Form 1120, Line 29b)	_____	.00
30. Federal Taxable Income Before NOL Line 28 minus Line 29; enter amount here and on Schedule B, Line 10	_____	.00

Ⓓ 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. Domestic production activities deduction (From Schedule G, Line 25)	_____	.00
g. Bonus depreciation	_____	.00
h. Section 179 expense deduction	_____	.00
i. Other (Attach explanation or schedule)	_____	.00
2. Total Additions (Add Lines 1a-1i)	_____	.00
3. Deductions:		
a. U.S. obligation interest (net of expenses)	_____	.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 (Attach explanation or schedule)	_____	.00
4. Total Deductions (Add Lines 3a-3g)	_____	.00
5. Adjustments to Federal Taxable Income Line 2 minus Line 4, enter amount here and on Schedule B, Line 11	_____	.00

Ⓔ Contributions

1. Contributions to Donees Outside N.C.		
a. Enter total contributions to donees outside N.C.	_____	.00
b. Multiply the amount shown on Schedule B, Line 12 by 5% if Line 12 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 13	_____	.00
2. Contributions to N.C. Donees		
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 23 by 5% if Line 23 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 24	_____	.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 schedule)</i>				
7. Loans to shareholders				
8. Mortgage and real estate loans				
9. Other investments <i>(Attach 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 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 schedule)</i>				
19. Loans from shareholders				
20. Mortgages, notes, and bonds payable in 1 year or more				
21. Other liabilities <i>(Attach schedule)</i>				
22. Capital stock: a. Preferred Stock				
b. Common Stock				
23. Additional paid-in capital				
24. Retained earnings – Appropriated <i>(Attach schedule)</i>				
25. Retained earnings – Unappropriated				
26. Adjustments to shareholders' equity <i>(Attach 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	
4. Add Lines 1, 2, and 3		6. Other decreases <i>(itemize)</i> : _____	
		7. Add Lines 5 and 6	
		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**.

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 15)

2. Nonapportionable Income Allocated to N.C. (Enter the total of Column E here 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.

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

Enter 100% on Schedule B, Line 17 and Schedule C, Line 9

%

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: %

Computation of Apportionment Factor

	1. Within North Carolina		2. Total Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending Period
1. Land				
2. Buildings				
3. Inventories				
4. Other property				
5. Total (Add Lines 1-4)				

6. Average value of property
Add amounts on Line 5 for (a) and (b); divide by 2

7. Rented property (Multiply annual rents by 8)

	Factor
8. Property Factor (Add Lines 6 and 7; divide Column 1 by Column 2 and enter factor) <input type="text" value=" "/>	<input type="text" value=" "/> %
9. Gross payroll <input type="text" value=" "/>	<input type="text" value=" "/>
10. Compensation of general executive officers <input type="text" value=" "/>	<input type="text" value=" "/>
11. Payroll Factor (Line 9 minus Line 10; divide Column 1 by Column 2 and enter factor) <input type="text" value=" "/>	<input type="text" value=" "/> %
12. Sales Factor (Divide Column 1 by Column 2; multiply the result by 4 and enter factor) <input type="text" value=" "/>	<input type="text" value=" "/> %
13. Total of Factors (Add Lines 8, 11, and 12) <input type="text" value=" "/>	<input type="text" value=" "/> %
14. N.C. Apportionment Factor (Divide Line 13 by 6 or the number of factors present; enter result here, on Schedule B, Line 17, and Schedule C, Line 9. See instructions and G.S.105 -130.4 for more information.) <input type="text" value=" "/>	<input type="text" value=" "/> %

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. Divide column 1 of Line 12 by column 2 of Line 12. Enter factor here, on Schedule B, Line 17, and on Schedule C, Line 9. (See instructions and G.S.105 -130.4 for more information.)

%

Part 4. Special Apportionment

Special apportionment formulas apply to certain types of corporations such as pipeline companies, telephone companies, motor carriers, and railroad companies. If you use a special apportionment formula, enter the computed apportionment factor here, on Schedule B, Line 17, and on Schedule C, Line 9. (See instructions and G.S.105 -130.4 for more information.)

%