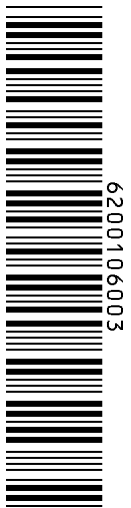


S Corporation Tax Return 2001

North Carolina Department of Revenue

Submit forms in the following order:
CD-479, NC-478, NC-478 series,
CD-401S, followed by CD-425

For calendar year 2001 , or other tax year beginning (MM-DD) _____ - _____ - 01 and ending (MM-DD-YY) _____ - _____ - _____		► Fill in circle if tax year is less than 12 months <input type="radio"/>
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: <input type="radio"/> Amended Return <input type="radio"/> CD-479 is attached <input type="radio"/> Initial Filer <input type="radio"/> NC-478 is attached <input type="radio"/> Final Return <input type="radio"/> QSSS or Parent QSSS <input type="radio"/> LLC <input type="radio"/> Has Escheatable Property
Gross Receipts / Sales ► _____ .00	Total Assets per Balance Sheet _____ .00	



(A) Computation of Franchise Tax

1. Capital Stock, Surplus, and Undivided Profits <i>(From Schedule C, Line 13)</i>	Holding Company Exception <input type="radio"/>	1.	<input type="text"/> .00
2. Investment in Tangible Property in N.C. <i>(From Schedule D, Line 8)</i>	<input type="radio"/>	2.	<input type="text"/> .00
3. Appraised Valuation of Property in N.C. <i>(From Schedule E, Line 2)</i>	<input type="radio"/>	3.	<input type="text"/> .00
4. Taxable Amount Line 1, 2, or 3, whichever is greatest	<input type="radio"/>	4.	<input type="text"/> .00
5. Total Franchise Tax Due Multiply Line 4 by .0015 (\$1.50 per \$1,000.00 - minimum \$35.00)	<input type="radio"/>	5.	<input type="text"/> .00
6. a. Payment with Application for Franchise Tax Extension <i>(From Form CD-419, Line 1)</i>	<input type="radio"/>	6a.	<input type="text"/> .00
b. Tax Credits <i>(Complete Form CD-425 and enter amount from Part 2, Line 10)</i>	<input type="radio"/>	6b.	<input type="text"/> .00
7. Franchise Tax Due - If the sum of Line 6a plus 6b is less than Line 5, enter difference here and on Page 2, Line 31	<input type="radio"/>	7.	\$ <input type="text"/> .00
8. Franchise Tax Overpaid - If the sum of Line 6a plus 6b is more than Line 5, enter difference here and on Page 2, Line 31	<input type="radio"/>	8.	<input type="text"/> .00

(B) Computation of Corporate Income Tax

9. Shareholders' Shares of Corporation Income (Loss) <i>(From Schedule H, Line 7 or Federal Schedule K, Lines 1-6)</i>	Fill in circle if negative <input type="radio"/>	9.	<input type="text"/> .00
10. Adjustments to Corporation Income (Loss) <i>(From Schedule I, Line 5)</i>	Fill in circle if negative <input type="radio"/>	10.	<input type="text"/> .00
11. N.C. Income Subject to Tax Add (or subtract) Lines 9 and 10	Fill in circle if negative <input type="radio"/>	11.	<input type="text"/> .00
12. Nonbusiness Income <i>(From Schedule N, Line 1)</i>	Fill in circle if negative <input type="radio"/>	12.	<input type="text"/> .00
13. Business Income Subject to Apportionment Line 11 minus Line 12	Fill in circle if negative <input type="radio"/>	13.	<input type="text"/> .00
14. Apportionment Factor - Enter to four decimal places <i>(From Schedule O, Part 1; Part 2 - Line 15; Part 3; or Part 4)</i>	<input type="radio"/>	14.	<input type="text"/> . %
15. Business Income Apportioned to N.C. Multiply Line 13 by factor on Line 14	Fill in circle if negative <input type="radio"/>	15.	<input type="text"/> .00
16. Nonbusiness Income Allocated to N.C. <i>(From Schedule N, Line 2)</i>	Fill in circle if negative <input type="radio"/>	16.	<input type="text"/> .00
17. Income Apportioned and Allocated to N.C. Add Lines 15 and 16	Fill in circle if negative <input type="radio"/>	17.	<input type="text"/> .00
18. Percentage Depletion over Cost Depletion on N.C. Property	<input type="radio"/>	18.	<input type="text"/> .00
19. Total Net Taxable Income - Line 17 minus Line 18 <i>(Composite filers complete Lines 20 through 24; all others skip to Line 25)</i>	Fill in circle if negative <input type="radio"/>	19.	<input type="text"/> .00
20. Amount of Line 19 Attributable to Nonresidents Filing Composite	Fill in circle if negative <input type="radio"/>	20.	<input type="text"/> .00
21. North Carolina Income Tax <i>(Calculate the tax for each nonresident shareholder filing composite using the Income Tax Rate Schedule on Page 3. Total the amounts for all composite filers and enter sum.)</i>	<input type="radio"/>	21.	<input type="text"/> .00



Legal Name _____

FEIN _____

(B) Computation of Corporate Income Tax

22. Enter amount from Line 21	22.	_____	.00
23. Tax Credits Attributable to Nonresidents Filing Composite <i>(Complete Form CD-425 and enter amount from Part 4, Line 27)</i>	▶ 23.	_____	.00
24. Net Tax Due for Nonresidents Filing Composite Line 22 minus Line 23	24.	_____	.00
25. Annual Report Fee (\$20.00)	▶ 25.	_____	.00
26. Add Lines 24 and 25	26.	_____	.00
27. Payments			
a. Application for Income Tax Extension <i>(From Form CD-419, Line 5)</i>	▶ a.	_____	.00
b. 2001 Estimated Tax <i>(When filing an amended return, enter previous payments)</i>	▶ b.	_____	.00
c. Partnership <i>(Include Form D-403, NC K-1)</i>	▶ c.	_____	.00
d. Nonresident Withholding <i>(Include copy of 1099 or W-2)</i>	▶ d.	_____	.00
28. Add Lines 27a through 27d	28.	_____	.00
29. Income Tax Due - If Line 28 is less than Line 26, enter difference here and on Line 32	29. \$	_____	.00
30. Income Tax Overpaid - If Line 28 is more than Line 26, enter difference here and on Line 32	▶ 30.	_____	.00

Tax Due or Refund

31. Franchise Tax Due or Overpayment <i>(From Schedule A, Line 7 or 8)</i>	<i>Fill in circle if overpayment</i> <input type="radio"/>	31.	_____	.00
32. Income Tax Due or Overpayment <i>(From Schedule B, Line 29 or 30)</i>	<i>Fill in circle if overpayment</i> <input type="radio"/>	32.	_____	.00
33. Balance of Tax Due or Overpayment Add (or subtract) Lines 31 and 32	<i>Fill in circle if overpayment</i> <input type="radio"/>	33.	_____	.00
34. Penalties and Interest <i>(see instructions)</i>		34.	_____	.00
35. Total Due - Add Lines 33 and 34 and enter result here, but not less than zero. If less than zero, enter amount on Line 36	Pay This Amount	35.	_____	.00
36. Overpayment		36.	_____	.00
37. Amount of Line 36 applied to 2002 Estimated Income Tax	▶ 37.	_____	.00	
38. Amount to be Refunded Line 36 minus Line 37	▶ 38.	_____	.00	

Signature and Title of Officer: _____ Date: _____

Sign Here Signature of Paid Preparer: _____ I certify that, to the best of my knowledge, this return is accurate and complete.

Preparer's FEIN, SSN, or PTIN: _____

Telephone Number: () _____

MAIL TO: N.C. Dept. of Revenue, P.O. Box 25000, Raleigh, N.C. 27640-0530
Returns are due by the 15th day of the 3rd month after the end of the income year.

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Legal Name _____

FEIN _____

(C) Capital Stock, Surplus, and Undivided Profits - Enter amounts from book balance sheet as of the end of the tax year

1. Total capital stock outstanding less cost of treasury stock	1. _____	.00
2. Paid-in or capital surplus	2. _____	.00
3. Retained earnings (earned surplus and undivided profits)	3. _____	.00
4. Other surplus	4. _____	.00
5. Deferred or unearned income	5. _____	.00
6. Allowance for bad debts	6. _____	.00
7. LIFO reserves	7. _____	.00
8. Other reserves that do not represent definite and accrued legal liabilities	8. _____	.00
9. Add Lines 1 through 8 and enter total	9. _____	.00
10. Affiliated indebtedness (see instructions)	10. _____	.00
11. Line 9 plus (or minus) Line 10	11. _____	.00
12. Apportionment factor (From Schedule O, Part 1; Part 2 - Line 15; Part 3; or Part 4)	12. _____	%
13. Capital Stock, Surplus, and Undivided Profits Multiply Line 11 by factor on Line 12 and enter result here and on Schedule A, Line 1. If amount on Line 13 is less than zero, enter zero on Schedule A, Line 1	13. <input type="text" value=""/>	.00

(D) Investment in N.C. Tangible Property - Enter amounts from book balance sheet as of the end of the tax year for N.C. property

Inventory valuation method: <input type="radio"/> FIFO <input type="radio"/> Lower of cost or market <input type="radio"/> Other _____ (LIFO valuation not permitted)		
1. Total value of inventories located in N.C.	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	6. _____	.00
7. Debts existing for the purchase or improvement of N.C. real estate	7. _____	.00
8. Investment in Tangible Property in N.C. Line 5 minus Lines 6 and 7; enter amount here and on Schedule A, Line 2	8. <input type="text" value=""/>	.00

(E) Appraised Property Value

1. Total appraised value of all tangible N.C. property, including motor vehicles (If tax year ends December 31, 2001 through September 30, 2002, enter the appraised county tax value of all real and tangible property located in N.C. as of January 1, 2001, including any motor vehicles assessed during the tax year. Otherwise, enter value as of January 1, 2002.)	1. _____	.00
2. Appraised Valuation of Property in N.C. 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? Were the adjustments reported to N.C.? <input type="radio"/> Yes <input type="radio"/> No
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? <input type="radio"/> Yes (attach detailed explanation) <input type="radio"/> No

Income Tax Rate Schedule

Nonresident shareholders electing to file a composite S Corporation Tax Return must use the following rates in computing the amount of income tax due:



- 6.00% of the first \$12,750**
- 7.00% of the amount over \$12,750 but less than \$60,000**
- 7.75% of the amount over \$60,000 but less than \$120,000**
- 8.25% of the amount over \$120,000**

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CD-401S
Web
12-01

G 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 gains (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)	_____	.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. Other deductions (attach schedule)	_____	.00
20. Total Deductions Add the amounts shown in the far right column for Lines 7 through 19	_____	.00
21. Ordinary Income (Loss) from Trade or Business Activities Line 6 minus Line 20; enter amount here and on Schedule H, Line 1	_____	.00

H Computation of Income (Loss)

1. Ordinary income (loss) from trade or business activities	_____	.00
2. Net income (loss) from rental real estate activities	_____	.00
3. Net income (loss) from other rental real estate activities	_____	.00
4. Portfolio income (loss)		
a. Interest income	_____	.00
b. Ordinary dividends	_____	.00
c. Royalty income	_____	.00
d. Capital gains (losses) from Federal Schedule D (attach schedule)	_____	.00
e. Other portfolio income (loss) (attach schedule)	_____	.00
5. Net gain (loss) under IRC § 1231 (other than due to casualty or theft)	_____	.00
6. Other income (loss) (attach schedule)	_____	.00
7. Total Income (Loss) Add Lines 1 through 6 and enter amount here and on Schedule B, Line 9	_____	.00

I Adjustments to Income (Loss)

1. Additions to Income (Loss):		
a. Taxes based on net income	_____	.00
b. Interest on non-N.C. obligations	_____	.00
c. Capital loss carry-over	_____	.00
d. Royalty paid to related members (see instructions)	_____	.00
e. Expenses attributable to tax exempt income (see instructions)	_____	.00
f. Other (attach schedule)	_____	.00
2. Total Additions (Add Lines 1a-1f)	_____	.00
3. Deductions from Income (Loss):		
a. U.S. obligation interest (net expenses)	_____	.00
b. Deductible dividends (see instructions)	_____	.00
c. Capital loss not deducted on federal return	_____	.00
d. Royalty received from related members (see instructions)	_____	.00
e. Other (attach schedule)	_____	.00
4. Total Deductions Add Lines 3a through 3e	_____	.00
5. Adjustments to Income (Loss) Line 2 minus Line 4; enter result here and on Schedule B, Line 10	_____	.00

J Explanation of Changes for Amended Return
(attach additional sheets if necessary)

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(K) Shareholders' Shares of Income, Adjustments, and Credits

	Shareholder 1	Shareholder 2	Shareholder 3
1. Identifying Number	_____	_____	_____
2. Name	_____	_____	_____
3. Address	_____	_____	_____
4. Percentage of ownership	_____ %	_____ %	_____ %
5. Share of income (loss) <i>(From Schedule H, Line 7)</i>	_____	_____	_____
6. Additions to income (loss) <i>(From Schedule I, Line 2)</i>	_____	_____	_____
7. Deductions from income (loss) <i>(From Schedule I, Line 4)</i>	_____	_____	_____
8. N.C. income subject to tax Add (subtract) Lines 5, 6, and 7	_____	_____	_____
9. Share of tax credits <i>(see instructions)</i>	_____	_____	_____
10. Share of tax withheld from nonwage compensation	_____	_____	_____
11. Amount of Line 8 apportioned or allocated to N.C. (nonresidents only)	_____	_____	_____
12. Net tax paid for shareholder by corporation (nonresidents only)	_____	_____	_____
	Shareholder 4	Shareholder 5	Shareholders' Total
1. Identifying Number	_____	_____	_____
2. Name	_____	_____	_____
3. Address	_____	_____	_____
4. Percentage of ownership	_____ %	_____ %	_____ %
5. Share of income (loss) <i>(From Schedule H, Line 7)</i>	_____	_____	_____
6. Additions to income (loss) <i>(From Schedule I, Line 2)</i>	_____	_____	_____
7. Deductions from income (loss) <i>(From Schedule I, Line 4)</i>	_____	_____	_____
8. N.C. income subject to tax Add (subtract) Lines 5, 6, and 7	_____	_____	_____
9. Share of tax credits <i>(see instructions)</i>	_____	_____	_____
10. Share of tax withheld from nonwage compensation	_____	_____	_____
11. Amount of Line 8 apportioned or allocated to N.C. (nonresidents only)	_____	_____	_____
12. Net tax paid for shareholder by corporation (nonresidents only)	_____	_____	_____

(attach additional pages if needed)

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Legal Name _____

FEIN _____

NC K-1 - Shareholder's Share of North Carolina Income, Adjustments, and Credits

Shareholder's Identifying Number _____

Federal Employer ID Number _____

Shareholder's Name, Address, and Zip Code

Corporation's Name, Address, and Zip Code

For calendar year _____ or other tax year beginning _____ and ending _____

Shareholder's percentage of stock ownership for tax year %

Nonresident Shareholder Agreement Form NC-NA has been filed Yes No

Shareholder's Pro Rata Share Items

Amount

Individuals Filing Form D-400 Enter Amount on:

All Shareholders

1. Share of corporation income (loss)
(From Form CD-401S, Schedule K, Line 5)

(This amount should already be included in federal taxable income)

2. Additions to income (loss)
(From Form CD-401S, Schedule K, Line 6)

Page 3, Line 37

3. Deductions from income (loss)
(From Form CD-401S, Schedule K, Line 7)

Page 3, Line 44

4. Share of tax credits
(From Form CD-401S, Schedule K, Line 9)

Form D-400TC
(See Form D-400 instructions)

5. Share of tax withheld from nonwage compensation paid for personal services performed in N.C.
(From Form CD-401S, Schedule K, Line 10)

Page 2, Line 18

Nonresidents Only

6. Nonresident's share of N.C. taxable income (loss)
(From Form CD-401S, Schedule K, Line 11)

Page 4, Line 47

7. Nonresident's share of net tax paid by the S Corporation
(From Form CD-401S, Schedule K, Line 12)

Page 2, Line 19d

Attach additional NC K-1's if needed. Additional forms are available from the Department's website, www.dor.state.nc.us, or by calling (919) 733-0397.

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CD-401S
Web
12-01

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 schedule)				
7.	Loans to shareholders				
8.	Mortgage and real estate loans				
9.	Other investments (attach 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 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 schedule)				
19.	Loans from shareholders				
20.	Mortgages, notes, and bonds payable in 1 year or more				
21.	Other liabilities (attach schedule)				
22.	Capital stock				
23.	Additional paid-in capital				
24.	Retained earnings				
25.	Adjustments to shareholders' equity (attach schedule)				
26.	Less cost of treasury stock		()		()
27.	Total Liabilities and Shareholders' Equity				
M-1 Federal Schedule		1.	Net income (loss) per books		
		2.	Income included on Federal Schedule K, Lines 1 through 6, not recorded on books this year (itemize):		
M-1 Federal Schedule		3.	Expenses recorded on books this year not included on Federal Schedule K, Lines 1 through 11a, 15g, and 16b (itemize):		
		a.	Depreciation \$		
M-1 Federal Schedule		b.	Travel and entertainment \$		
		4.	Add Lines 1 through 3		
M-1 Federal Schedule		5.	Income recorded on books this year not included on Federal Schedule K, Lines 1 through 6 (itemize):		
			Tax-exempt interest \$		
M-1 Federal Schedule		6.	Deductions included on Federal Schedule K, Lines 1 through 11a, 15g, and 16b, not charged against book income this year (itemize):		
			Depreciation \$		
M-1 Federal Schedule		7.	Add Lines 5 and 6		
		8.	Income (Loss) (Federal Schedule K, Line 23) Line 4 minus Line 7		
M-2 Analysis of N.C. AAA		N.C. Accumulated Adjustments		N.C. Other Adjustments	
		Undistributed income previously taxed			
M-2 Analysis of N.C. AAA		1.	Balance at beginning of year		
		2.	Ordinary income from Schedule G, Line 21		
M-2 Analysis of N.C. AAA		3.	Other additions		
		4.	Loss from Schedule G, Line 21	()	
M-2 Analysis of N.C. AAA		5.	Other deductions	()	
		6.	Combine Lines 1 through 5		
M-2 Analysis of N.C. AAA		7.	Distributions other than dividend distributions		
		8.	Balance at end of tax year (Line 6 minus Line 7)		

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Legal Name _____

FEIN _____

Complete this schedule only if you apportion income to North Carolina and to other states **AND** you have income classified as nonbusiness income. See the instructions for an explanation of what is business income and what is nonbusiness income.

Nonbusiness Income

(A) Nonbusiness Income (List by type and indicate source)	(B) Gross Amounts	(C) Related Expenses*	(D) Net Amounts (Column B minus Column C)	(E) Net Amounts Allocated Directly to N.C.

1. **Nonbusiness Income** (Enter the total of Column D here and on Schedule B, Line 12) %

2. **Nonbusiness Income Allocated to N.C.** (Enter the total of Column E here and on Schedule B, Line 16) %

Explanation of why income listed in chart is nonbusiness income rather than business income:

(Attach additional sheets if necessary)

*For an acceptable means of computing related expenses, see 17 N.C.A.C. 5C .0304, Attribution of Expenses, Nontaxable Income, and Nonbusiness Income and Property.

Computation of Apportionment Factor

Part 1. Domestic and Other Corporations Not Apportioning Franchise or Income Outside N.C.
Enter 100% here and on Schedule C, Line 12 and Schedule B, Line 14 %

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: %

	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)

8. **Property Factor** (Add Lines 6 and 7; divide Column 1 by Column 2 and enter factor) %

9. Gross payroll

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** (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) %

15. **N.C. Apportionment Factor** (Divide Line 14 by the number of factors present; enter result here and on Schedule C, Line 12, and Schedule B, Line 14) %

Part 3. Excluded Corporations and Public Service Corporations, Other Than Those Companies Listed in Part 4
Excluded corporations must use the sales factor alone. These corporations need not complete the property and payroll factor sections of this Schedule. (See instructions and G.S.105 -130.4 for definition of excluded corporation.) Enter the sales factor from Line 12 here and on Schedule C, Line 12 and Schedule B, Line 14 %

Part 4. Telephone Companies and Motor Carriers
Enter the apportionment factor computed on the worksheet in the instructions here and on Schedule C, Line 12 and Schedule B, Line 14 %

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