

# C Corporation Tax Return 2001

North Carolina Department of Revenue

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

For calendar year 2001,  
or other tax year beginning (MM-DD) \_\_\_\_\_ - \_\_\_\_\_ - 0 1 and ending (MM-DD-YY) \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

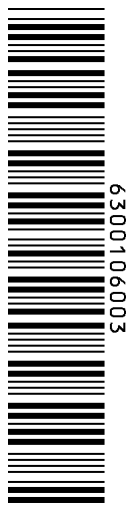
Fill in circle if tax year is less than 12 months

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 \_\_\_\_\_  
\_\_\_\_\_ .00 \_\_\_\_\_ .00

Fill in all applicable circles:  
 Amended Return  CD-479 is attached  
 Initial Filer  NC-478 is attached  
 Final Return  Nonprofit  
 LLC  Has Escheatable Property



**(A) Computation of Franchise Tax**

- 1. Capital Stock, Surplus, and Undivided Profits (From Schedule C, Line 13)  Holding Company Exception (see instructions)  1. \_\_\_\_\_ .00
- 2. Investment in Tangible Property in N.C. (From Schedule D, Line 8) 2. \_\_\_\_\_ .00
- 3. Appraised Valuation of Property in N.C. (From Schedule E, Line 2) 3. \_\_\_\_\_ .00
- 4. Taxable Amount Line 1, 2, or 3, whichever is greatest 4. \_\_\_\_\_ .00
- 5. Total Franchise Tax Due Multiply Line 4 by .0015 (\$1.50 per \$1,000.00 - minimum \$35.00) 5. \_\_\_\_\_ .00
- 6. a. Payment with Application for Franchise Tax Extension (From Form CD-419, Line 1) 6a. \_\_\_\_\_ .00
- b. Tax Credits (Complete Form CD-425 and enter amount from Part 2, Line 10) 6b. \_\_\_\_\_ .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 35 7. \$ \_\_\_\_\_ .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 35 8. \_\_\_\_\_ .00

**(B) Computation of Corporate Income Tax**

- 9. Federal Taxable Income Before NOL (From Schedule G, Line 30 or Federal Form 1120, Line 28 minus 29b) Fill in circle if negative  9. \_\_\_\_\_ .00
- 10. Adjustments to Federal Taxable Income (From Schedule H, Line 5) Fill in circle if negative  10. \_\_\_\_\_ .00
- 11. Net Income Before Contributions Add (or subtract) Lines 9 and 10 Fill in circle if negative  11. \_\_\_\_\_ .00
- 12. Contributions to Donees Outside N.C. (From Schedule I, Line 1c) 12. \_\_\_\_\_ .00
- 13. Total State Net Income Line 11 minus Line 12 Fill in circle if negative  13. \_\_\_\_\_ .00
- 14. Nonbusiness Income (From Schedule N, Line 1) Fill in circle if negative  14. \_\_\_\_\_ .00
- 15. Business Income Subject to Apportionment Line 13 minus Line 14 Fill in circle if negative  15. \_\_\_\_\_ .00
- 16. Apportionment Factor - Enter to four decimal places (From Schedule O, Part 1; Part 2 - Line 15; Part 3; or Part 4) 16. \_\_\_\_\_ %
- 17. Business Income Apportioned to N.C. Multiply Line 15 by factor on Line 16 Fill in circle if negative  17. \_\_\_\_\_ .00
- 18. Nonbusiness Income Allocated to N.C. (From Schedule N, Line 2) Fill in circle if negative  18. \_\_\_\_\_ .00
- 19. Income Apportioned and Allocated to N.C. Add Lines 17 and 18 Fill in circle if negative  19. \_\_\_\_\_ .00
- 20. Percentage Depletion over Cost Depletion on N.C. Property 20. \_\_\_\_\_ .00
- 21. Net Economic Loss (attach schedule) 21. \_\_\_\_\_ .00
- 22. Income Before Contributions to N.C. Donees Line 19 minus Lines 20 and 21 Fill in circle if negative  22. \_\_\_\_\_ .00



B Computation of Corporate Income Tax

<b>23. Enter amount from Line 22</b>	<i>Fill in circle if negative</i> <input type="radio"/>	23.	_____	.00
<b>24. Contributions to N.C. Donees</b> <i>(From Schedule I, Line 2e)</i>		▶ 24.	_____	.00
<b>25. Net Taxable Income</b> Line 23 minus Line 24	<i>Fill in circle if negative</i> <input type="radio"/>	25.	_____	.00
<b>26. N.C. Net Income Tax</b> Multiply Line 25 by 6.90%		26.	_____	.00
<b>27. Tax Credits</b> <i>(Complete Form CD-425 and enter amount from Part 4, Line 27)</i>		▶ 27.	_____	.00
<b>28. Net Tax Due</b> Line 26 minus Line 27		28.	_____	.00
<b>29. Annual Report Fee (\$20.00)</b>		▶ 29.	_____	.00
<b>30. Add Lines 28 and 29</b>		30.	_____	.00
<b>31. Payments</b>				
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
<b>32. Add Lines 31a through 31d</b>		32.	_____	.00
<b>33. Income Tax Due</b> - If Line 32 is less than Line 30, enter difference here and on Line 36, below		33. \$	_____	.00
<b>34. Income Tax Overpaid</b> - If Line 32 is more than Line 30, enter difference here and on Line 36, below	▶	34.	_____	.00

Tax Due or Refund

<b>35. Franchise Tax Due or Overpayment</b> <i>(From Schedule A, Line 7 or 8)</i>	<i>Fill in circle if overpayment</i> <input type="radio"/>	35.	_____	.00
<b>36. Income Tax Due or Overpayment</b> <i>(From Schedule B, Line 33 or 34)</i>	<i>Fill in circle if overpayment</i> <input type="radio"/>	36.	_____	.00
<b>37. Balance of Tax Due or Overpayment</b> Add (or subtract) Lines 35 and 36	<i>Fill in circle if overpayment</i> <input type="radio"/>	37.	_____	.00
<b>38. Penalty for Underpayment of Estimated Income Tax</b> <i>(see instructions and enter letter in box, if applicable)</i>	<b>Penalty Exception</b> ▶	38.	_____	.00
<b>39. Other Penalties and Interest</b> <i>(see instructions)</i>		39.	_____	.00
<b>40. Total Due</b> - Add Lines 37, 38, and 39 and enter result here, but not less than zero. If less than zero, enter amount on Line 41	<b>Pay This Amount</b>	40.	_____	.00
<b>41. Overpayment</b>		41.	_____	.00
<b>42. Amount of Line 41 applied to 2002 Estimated Income Tax</b>	▶	42.	_____	.00
<b>43. Amount of Line 41 contributed to N.C. Nongame and Endangered Wildlife Fund</b>	▶	43.	_____	.00
<b>44. Amount to be Refunded</b> Line 41 minus Lines 42 and 43	▶	44.	_____	.00

**Sign Here** Signature and Title of Officer: \_\_\_\_\_ Date: \_\_\_\_\_  
 I certify that, to the best of my knowledge, this return is accurate and complete.

Signature of Paid Preparer: \_\_\_\_\_ Preparer's FEIN, SSN, or PTIN: ▶ \_\_\_\_\_  
 I certify that, to the best of my knowledge, this return is accurate and complete.

Telephone Number: ( ) \_\_\_\_\_

**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 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. _____ %
<b>13. Capital Stock, Surplus, and Undivided Profits</b> 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"/> .00

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

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

**E Appraised Property Value**

1. Total appraised value of all tangible N.C. property, including motor vehicles <i>(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.)</i>	1. _____ .00
<b>2. Appraised Valuation of Property in N.C.</b> Multiply Line 1 by 55%; enter here and on Schedule A, Line 3	2. <input type="text"/> .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.?  Yes  No

6. Is this corporation a shareholder of a foreign sales corporation (FSC) or a shareholder of a corporation that owns a FSC?  Yes  No

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. Is this corporation related to another corporation as:  Parent  Subsidiary  Affiliate  
*(Attach a copy of the appropriate federal income tax schedule reflecting the relationship)*

10. Officers' names and addresses:  
President \_\_\_\_\_ Secretary \_\_\_\_\_  
Vice-President \_\_\_\_\_ Treasurer \_\_\_\_\_

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**© 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 gains (loss) (attach schedule)	.00
10. Other income (attach schedule)	.00
<b>11. Total Income</b> Add Lines 3 through 10	<b>.00</b>
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. Depreciation	.00
21. a. Depreciation included in cost of goods sold	.00
b. Balance (Line 20 minus Line 21a)	.00
22. Depletion	.00
23. Advertising	.00
24. Pension, profit-sharing, and similar plans	.00
25. Employee benefit programs	.00
26. Other deductions (attach schedule)	.00
<b>27. Total Deductions</b> Add Lines 12 through 26	<b>.00</b>
<b>28. Taxable Income per Federal Return Before NOL and Special Deductions</b> Line 11 minus Line 27	<b>.00</b>
<b>29. Special Deductions</b> (From Federal Form 1120, Line 29b)	<b>.00</b>
<b>30. Federal Taxable Income Before NOL</b> Line 28 minus Line 29; enter amount here and on Schedule B, Line 9	<b>.00</b>

**Ⓜ Adjustments to Federal Taxable Income**

<b>1. Additions</b>	
a. Taxes based on net income	.00
b. Capital loss carry-over	.00
c. Contributions	.00
d. Royalties paid to related members (see instructions)	.00
e. Expenses attributable to tax exempt income (see instructions)	.00
f. Other (attach schedule)	.00
<b>2. Total Additions (Add Lines 1a-1f)</b>	<b>.00</b>
<b>3. Deductions</b>	
a. U.S. obligation interest (net expenses)	.00
b. Other deductible dividends (see instructions)	.00
c. Capital loss not deducted on federal return	.00
d. Royalties received from related members (see instructions)	.00
e. Interest on deposits with FHLB (net expenses) <b>S&amp;L's only</b>	.00
f. Other (attach schedule)	.00
<b>4. Total Deductions (Add Lines 3a-3f)</b>	<b>.00</b>
<b>5. Adjustments to Federal Taxable Income</b> Line 2 minus Line 4, enter amount here and on Schedule B, Line 10	<b>.00</b>

**Ⓜ Contributions**

<b>1. Contributions to Donees Outside N.C.</b>	
a. Enter total contributions to donees outside N.C.	.00
b. Multiply the amount shown on Schedule B, Line 11 by 5%	.00
c. <b>Amount Deductible</b> Enter the lesser of Line 1a or 1b here and on Schedule B, Line 12	<b>.00</b>
<b>2. Contributions to N.C. Donees</b>	
a. Enter total contributions to N.C. donees other than those listed in Line 2d, below	.00
b. Multiply Schedule B, Line 22 by 5%	.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. <b>Amount Deductible</b> Add Lines 2c and 2d; enter total here and on Schedule B, Line 24	<b>.00</b>

**Ⓜ Explanation of Changes for Amended Return**

Attach additional sheets if necessary


Note: Due to form redesign, the letter K is not used to designate a schedule.

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L Balance Sheet per Books

<b>Assets</b>		<b>Beginning of Tax Year</b>		<b>End of Tax Year</b>	
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 (net of any amortization)				
13.	a. Intangible assets (amortizable only)				
	b. Less accumulated amortization	( )		( )	
14.	Other assets ( <i>attach schedule</i> )				
15.	<b>Total Assets</b>				
<b>Liabilities and Shareholders' Equity</b>					
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.	<b>Total Liabilities and Shareholders' Equity</b>				
<b>M-1 Reconciliation of Income (Loss) per Books With Return</b>					
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. Contributions carryover \$	
	b. Contributions carryover \$				
	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> )	
<b>M-2 Retained Earnings Analysis</b>					
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> ):	
4.	Add Lines 1, 2, and 3			7. Add Lines 5 and 6	
				8. End of Year Balance ( <i>Line 4 minus Line 7</i> )	

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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 <i>(List by type and indicate source)</i>	(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. **Nonbusiness Income** *(Enter the total of Column D here and on Schedule B, Line 14)*

2. **Nonbusiness Income Allocated to N.C.** *(Enter the total of Column E here and on Schedule B, Line 18)*

**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 16  %

**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 <i>(Add Lines 1-4)</i>				

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 16)*  %

**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 16  %

**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 16  %

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