

PA SCHEDULE HApportioned Business Income
(Loss)/Calculation of PA Net
Business Income (Loss)
PA-20S/PA-65 H (05-11) (FI)**2011**

1106910050

OFFICIAL USE ONLY

Name as shown on PA-20S/PA-65 Information Return

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APPORTIONED INCOME (LOSS) FROM A BUSINESS, PROFESSION, OR FARM DERIVED FROM SOURCES BOTH WITHIN AND OUTSIDE PENNSYLVANIA.

Complete this schedule and submit it with the PA-20S/PA-65 Information Return if a PA S corporation, partnership or limited liability company filing as a partnership or PA S corporation for federal income tax purposes derives business income from sources within and outside Pennsylvania or is located in a KOZ. If one or more of the partners is a C corporation, the partnership must also complete PA-20S/PA-65 Schedule H-Corp and submit a copy to each corporate partner. DO NOT USE THIS SCHEDULE TO APPORTION PA-SOURCE INCOME FROM OTHER ENTITIES.

The entity must calculate a figure as required in 1C, 2C and 3C to apply to net business income (loss) to determine the amount from within Pennsylvania. Line 5 is an average of the sum of three fractions shown below.

NET BUSINESS INCOME (LOSS) APPORTIONMENT FORMULA

Submit a statement listing all places BOTH WITHIN AND OUTSIDE PENNSYLVANIA where the entity operates its business.

TABLE 1 - PROPERTY FACTOR	Description	Total Everywhere	Within Pennsylvania
Real and Tangible Property Owned (original cost value)			
Land and Buildings, including property rented *			
Machinery and Equipment, including property rented *			
Furniture and Fixtures, including property rented *			
Automobiles and Trucks, including property rented *			
Inventories			
Other Tangible Property, including property rented *			
Total Property		1 (A)	1 (B)

* Eight times net annual rental rate (Attach Schedule)

1C Property factor (divide 1(B) by 1(A) - calculate to six decimal places)

TABLE 2 - PAYROLL FACTOR	Description	Total Everywhere	Within Pennsylvania
Wages, salaries, commissions and other compensation to employees in:			
Cost of goods sold			
Compensation of officers			
Salesmen's salaries and commissions			
Other			
Total Payroll		2 (A)	2 (B)

2C Payroll factor (divide 2(B) by 2(A) - calculate to six decimal places)

TABLE 3 - SALES FACTOR	Description	Total Everywhere	Within Pennsylvania
Sales (Net of Returns and Allowances)			
Interest, Dividends, Rents, Royalties			
Other Income (receipts only)			
Gross Sales Price of Assets (except securities**)			
Totals		3 (A)	3 (B)

** Unless you are a securities dealer

3C Sales factor (divide 3(B) by 3(A) - calculate to six decimal places)

1 Real and Tangible Property. Enter the amount from Line 1C.	1	
2 Wages, Salaries, Commissions, and Other Compensation. Enter the amount from Line 2C.	2	
3 Sales. Enter the amount from Line 3C.	3	
4 Total Lines 1 through 3.	4	
5 Apportionment - Divide Line 4 by 3, if all three factors apply; by 2, if only two factors apply; or by 1, if only one factor applies. Calculate to six decimal places.	5	
6 Total Net Income (Loss) from business. From Schedule M, Part B, Section G, Line 2	6	
7 Net Income (Loss) for Pennsylvania. Multiply Line 6 by Line 5. Enter on the PA-20S/PA-65 Information Return, Part II, Line 2e.	7	

Special Apportionment to be completed only by railroad, truck, bus, and airline entities, pipeline or natural gas entities and water transportation entities. (Refer to PA-20S/PA-65 Schedule H instructions)

(A) Numerator (A) _____ =
(B) Denominator (B) _____

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