



VERMONT *S Corporation Schedule* **FORM BI-472**

PRINT in BLUE or BLACK INK

Attach to Form BI-471

Business Name

Federal ID Number

Place an "X" in the box left of the line number to indicate a loss amount.

- 1. From Federal Form 1120-S (Schedule K), enter total Shareholders Share of Income Less Deductions (see instructions). Include total recapture of section 179 expense deduction reported to shareholders on their Schedule K-1s (Form 1120-S). Disregard "bonus depreciation" provisions of IRC 168(k) for assets placed in service in 2008 and later. 1.
- 2. ADD Interest on non-Vermont state and local obligations. 2.
- 3. SUBTRACT
 - (a) Interest on U.S. Government obligations. 3(a).
 - (b) Targeted Job Credit salary and wage expense add back 3(b).
 - (c) SUBTOTAL (Add Lines 3(a) & 3(b))... 3(c).
- 4. TOTAL NET INCOME OR LOSS (Add Lines 1 and 2, then subtract Line 3(c)) 4.
- 5. INCOME OR LOSS ALLOCATED EVERYWHERE (Form BA-402, Part 1, Line 1a, or leave blank) 5.
- 6. NET APPORTIONABLE INCOME OR LOSS (Subtract Line 5 from Line 4) 6.
- 7. VERMONT APPORTIONMENT PERCENTAGE (100% or amount from Form BA-402, Line 22). Calculate percentage to six places to the right of the decimal point. 7. . %
- 8. NET INCOME OR LOSS apportioned to Vermont (Multiply Line 6 by Line 7). 8.
- 9. TOTAL NET INCOME OR LOSS Allocated and Apportioned to Vermont (Add Form BA-402, Part 1, Line 1b, & Line 8, above) 9.
- 10. Percentage of income or loss passed through to nonresidents. Calculate percentage to six places to the right of the decimal point... 10. . %
- 11. Income or loss passed through to nonresidents (Multiply Line 9 by Line 10) 11.
- 12. Amount of income on Line 11, if any, reported with composite return and taxed at entity level. Enter here and on Form BI-471, Line 2 12.

ATTACH SCHEDULE K-1VT FOR EACH SHAREHOLDER, PARTNER OR MEMBER

FORM BI-472 INSTRUCTIONS - S CORPORATION SCHEDULE

For Those Entities Filing Federal Form 1120S and Having Vermont Nonresident Shareholders.

Do not complete this form if all shareholders are VT residents.

Form BI-472 is used to determine the amount of Vermont-sourced income distributed to shareholders who are **not** residents of Vermont. With respect to each of its nonresident shareholders, the entity shall, for each taxable period, be liable for all income taxes together with related interest and penalties imposed on the nonresident by Vermont. Payments are generally due quarterly, and are made with Form WH-435. See 32 V.S.A. §5914, and Technical Bulletins 05 & 06 for more details.

Form BI-472 and Schedules K-1 VT are used to distribute non-resident estimated payments made with Form(s) WH-435. In order for shareholders to receive proper credit on their tax returns, these forms must be prepared completely and accurately. In accordance with statute, payments will be distributed in proportion to the shareholders' share of income.

Please use blue or black ink.

NOTE: References to federal forms are based on the most recent DRAFTS available at the time VT forms are finalized. If there are substantive changes, they will be noted at the Department's website.

Enter your business name and Federal Employer Identification Number (FEIN).

NOTE: VT does not conform to the special "bonus" depreciation provisions of IRC 168(k) for assets placed in service in 2008 and later. If the company took advantage of the bonus depreciation provision on assets placed in service in 2008 and later, all figures must be recomputed to disregard its effects.

Line 1: From Federal 1120-S Schedule K, **Combine:** Ordinary business income (loss), Net rental real estate income (loss), Other net rental income (loss), Interest income, Ordinary dividends, Royalties, Net short-term capital gain (loss), Net long-term capital gain (loss), Net section 1231 gain (loss), and Other income (loss). **Then subtract:** Section 179 deduction, Contributions, Investment interest expense, Section 59(e)(2) expenditures amount, and Other deductions. This is the total Shareholders Share of Income Less Deductions which you enter on Line 1.

Adjustments To Taxable Income

Line 2: Enter the amount of interest received from non-VT state and local obligations that were exempted from federal tax.

Line 3: (a) Enter the amount of interest received from U.S. Government Obligations.

(b) Enter the wage expense associated with targeted jobs credit disallowed on the Federal return by IRC Section 280C(a).

(c) Add Lines 3(a) and 3(b).

Line 4: Total Net Income (loss) Add Lines 1 and 2 and then subtract Line 3(c).

Line 5: Income Allocated Everywhere Enter the amount from Form BA-402, Part 1, Line 1a.

Line 6: Net Apportionable Income Subtract Line 5 from Line 4.

Line 7: VT Apportionment Percentage Enter 100% or amount from Form BA-402, Line 22. If no Form BA-402 is attached, Line 7 will be adjusted to 100%.

Line 8: Net Income Apportioned to VT Multiply Line 6 by Line 7.

Line 9: Total Net Income Allocated and Apportioned to VT Add Form BA-402, Part 1, Line 1b, and Line 8, above.

Line 10: Enter the percent of VT-source income or loss passed through to non-resident owners. "Various" is not a valid entry. While the proportion of ownership may have changed over the year, an exact amount of income would have been reported to nonresidents. You may need to "back into" this number from Line 11.

Line 11: Enter the dollar amount of VT-source income or loss passed through to non-residents. This is the basis amount for required estimated payments for non-residents. The current rate is 6.8%. If total Form WH-435 payments (including "catch-up" payment) are less than 6.8% of the amount on Line 11, the company will be subject to assessment for the underpayment, interest, and penalty.

Line 12: Enter the amount, if any, of VT-source income passed through to non-residents that is reported and taxed on a composite basis. Enter this amount on Form BI-471, Line 2. See Technical Bulletins 05 and 06 for information on composite filing.

Schedule K-1VT:

The **required form for all shareholders**, Schedule K-1VT, "Shareholder's, Partner's, or Member's Information", includes instructions to the forms and line numbers of the VT Individual Income Tax Return.

Distribution of estimated payments will not occur if Schedule K-1VTs are not complete and correct.

Mail Forms BI-471, BI-472; and, if applicable, BA-402 and BA-404; a copy of the first four pages of Federal Form 1120S as filed with the IRS; and all Schedules K-1VTs to:

VT Department of Taxes
133 State Street
Montpelier, VT 05633-1401

Taxpayer Services: (802) 828-5723

Email Address: tax-corporincome@state.vt.us

Web Site Address: <http://tax.vermont.gov>

Fax: (802) 828-5787

Forms: (802) 828-2515