

ATTACH THIS SCHEDULE TO FORM N-11, N-15, N-20, N-30, N-35, N-40, or N-70NP

Name \_\_\_\_\_

SSN OR FEIN \_\_\_\_\_

**NOTE:** If you are claiming the Ethanol Facility Tax Credit, no other credit can be claimed for the taxable year.

Complete Parts I, II and IV if your 7 or 10-year cycle began at the start of your taxable year.

Complete Parts I, III and IV if your 7 or 10-year cycle began during your taxable year rather than at the start of your taxable year.

In order to claim the enterprise zone tax credit, ALL of the following MUST be attached to your tax return:

1. Form N-756, Enterprise Zone Tax Credit
2. Form N-756A, Information Statement, if you are a partner of a partnership, a shareholder of an S corporation, or a beneficiary of an estate or trust
3. A copy of the certification issued by the Department of Business, Economic Development & Tourism

**Part I - Computation of Tax and Unemployment Insurance Premiums Attributable to Zone Activity**

|                                                                                                                                             |           |  |
|---------------------------------------------------------------------------------------------------------------------------------------------|-----------|--|
| 1. Total tax liability .....                                                                                                                | <b>1</b>  |  |
| 2. a. Total gross income from trade or business within the zone .....                                                                       | <b>2a</b> |  |
| b. Total gross income required to be reported to Hawaii.....                                                                                | <b>2b</b> |  |
| c. Percentage of business within the zone. Divide line 2a by line 2b .....                                                                  | <b>2c</b> |  |
| 3. Multiply line 1 by line 2c .....                                                                                                         | <b>3</b>  |  |
| 4. Total unemployment insurance premiums paid for employees employed within Hawaii .....                                                    | <b>4</b>  |  |
| 5. a. Total payroll for employees employed within the zone.....                                                                             | <b>5a</b> |  |
| b. Total payroll for employees employed within Hawaii.....                                                                                  | <b>5b</b> |  |
| c. Percentage of unemployment insurance premiums paid on the payroll of employees employed within the zone. Divide line 5a by line 5b ..... | <b>5c</b> |  |
| 6. Multiply line 4 by line 5c .....                                                                                                         | <b>6</b>  |  |
| 7. Add lines 3 and 6 .....                                                                                                                  | <b>7</b>  |  |

**Part II - Computation of Tax Credit When the 7 or 10-Year Cycle Began at the Start of the Taxable Year**

| 8. Enter the cycle year _____                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>8</b>              |                       |                       |                       |        |     |        |     |        |     |        |     |        |     |        |     |        |     |               |     |  |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------|-----|--------|-----|--------|-----|--------|-----|--------|-----|--------|-----|--------|-----|---------------|-----|--|--|
| 9. Enter the percentage from the table below that applies to your cycle year .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>9</b>              |                       |                       |                       |        |     |        |     |        |     |        |     |        |     |        |     |        |     |               |     |  |  |
| <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">Cycle Year</th> <th style="width: 25%;">Applicable Percentage</th> <th style="width: 25%;">Cycle Year</th> <th style="width: 25%;">Applicable Percentage</th> </tr> </thead> <tbody> <tr> <td>1.....</td> <td>80%</td> <td>5.....</td> <td>40%</td> </tr> <tr> <td>2.....</td> <td>70%</td> <td>6.....</td> <td>30%</td> </tr> <tr> <td>3.....</td> <td>60%</td> <td>7.....</td> <td>20%</td> </tr> <tr> <td>4.....</td> <td>50%</td> <td>*8 - 10 .....</td> <td>20%</td> </tr> </tbody> </table> <p><small>*Allowed only for manufacturers of tangible personal property or producers or processors of agricultural products.</small></p> | Cycle Year            | Applicable Percentage | Cycle Year            | Applicable Percentage | 1..... | 80% | 5..... | 40% | 2..... | 70% | 6..... | 30% | 3..... | 60% | 7..... | 20% | 4..... | 50% | *8 - 10 ..... | 20% |  |  |
| Cycle Year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Applicable Percentage | Cycle Year            | Applicable Percentage |                       |        |     |        |     |        |     |        |     |        |     |        |     |        |     |               |     |  |  |
| 1.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 80%                   | 5.....                | 40%                   |                       |        |     |        |     |        |     |        |     |        |     |        |     |        |     |               |     |  |  |
| 2.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 70%                   | 6.....                | 30%                   |                       |        |     |        |     |        |     |        |     |        |     |        |     |        |     |               |     |  |  |
| 3.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 60%                   | 7.....                | 20%                   |                       |        |     |        |     |        |     |        |     |        |     |        |     |        |     |               |     |  |  |
| 4.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 50%                   | *8 - 10 .....         | 20%                   |                       |        |     |        |     |        |     |        |     |        |     |        |     |        |     |               |     |  |  |
| 10. Maximum enterprise zone tax credit allowable for the year. Multiply line 7 by line 9.<br>Enter this amount on Part IV, line 19.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>10</b>             |                       |                       |                       |        |     |        |     |        |     |        |     |        |     |        |     |        |     |               |     |  |  |

**Part III - Computation of Tax Credit When the 7 or 10-Year Cycle Began During the Taxable Year**

|                                                                                                                                                                                                   |            |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| 11. Enter the 2 cycle years contained in the taxable year. ( <b>Note:</b> If the taxable year contains only your first or last cycle year, you only need to complete lines 11a, 12a-12e, and 14.) |            |  |
| a. Cycle year _____ b. Cycle year _____                                                                                                                                                           |            |  |
| 12. Cycle year referred to on line 11a                                                                                                                                                            |            |  |
| a. Enter the number of months during the taxable year attributable to the cycle year referred to on line 11a.....                                                                                 | <b>12a</b> |  |
| b. Divide line 12a by 12.....                                                                                                                                                                     | <b>12b</b> |  |
| c. Enter the percentage applicable to the cycle year referred to on line 11a. (See line 9 for percentage table) .....                                                                             | <b>12c</b> |  |
| d. Multiply line 12b by line 12c .....                                                                                                                                                            | <b>12d</b> |  |
| e. Multiply line 7 by line 12d.....                                                                                                                                                               | <b>12e</b> |  |
| 13. Cycle year referred to on line 11b                                                                                                                                                            |            |  |
| a. Enter the number of months during the taxable year attributable to the cycle year referred to on line 11b.....                                                                                 | <b>13a</b> |  |
| b. Divide line 13a by 12.....                                                                                                                                                                     | <b>13b</b> |  |
| c. Enter the percentage applicable to the cycle year referred to on line 11b. (See line 9 for percentage table) .....                                                                             | <b>13c</b> |  |
| d. Multiply line 13b by line 13c .....                                                                                                                                                            | <b>13d</b> |  |
| e. Multiply line 7 by line 13d.....                                                                                                                                                               | <b>13e</b> |  |
| 14. Maximum enterprise zone tax credit allowable for the year. Add lines 12e and 13e.<br>Enter this amount on Part IV, line 19.....                                                               | <b>14</b>  |  |

**Part IV - Computation of Credit Limitation**

|                                                                                                                                                                                                    |    |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|--|
| 15. Are you claiming the ethanol facility tax credit (Form N-324) for this taxable year? If yes, you may not claim any other Hawaii income tax credit for this taxable year. Enter -0- on line 20. |    |  |
| 16. Enter your total tax liability (from Part I, line 1) here.....                                                                                                                                 | 16 |  |
| 17. If you are claiming other credits, complete the credit worksheet in the instructions and enter the total here.....                                                                             | 17 |  |
| 18. Subtract line 17 from line 16. Enter the difference here. If line 17 is larger than line 16, enter -0- here and on line 20.....                                                                | 18 |  |
| 19. Enter the amount from Part II, line 10 or Part III, 14.....                                                                                                                                    | 19 |  |
| 20. Enter the smaller of line 18 or line 19. This is the amount of your enterprise zone tax credit.<br>Enter this amount on Schedule CR, line 3. ....                                              | 20 |  |