



TENNESSEE DEPARTMENT OF REVENUE
Franchise and Excise Tax Return

RV-R0011001 (10/17)

FAE 170

Form with fields: Tax Year Beginning, Account Number, Tax Year Ending, FEIN, NAICS, SOS Control Number, Legal Name, Mailing Address, City, State, ZIP Code. Includes checkboxes for 'Check all that apply' and a remittance address.

Schedule A - Computation of Franchise Tax

Round to the nearest dollar

- 1. Total net worth Schedule F1, Line 5 or Schedule F2, Line 3
2. Total real and tangible personal property from Schedule G, Line 15
3. Franchise tax (25¢ per \$100 or major fraction thereof on the greater of Lines 1 or 2; minimum \$100)

Schedule B - Computation of Excise Tax

- 4. Income subject to excise tax from Schedule J, Line 29
5. Excise tax (6.5% of Line 4)
6. Recapture of tax credit (Schedule T, Line 13) and additional excise tax on certified distribution sales
7. Total excise tax due (add Lines 5 and 6)

Schedule C - Computation of Total Tax Due or Overpayment

- 8. Total franchise and excise taxes (add Lines 3 and 7)
9. Total credit from Schedule D, Line 8 (cannot exceed Schedule C, Line 8)
10. Net tax (subtract Line 9 from Line 8; if Line 9 exceeds Line 8, enter zero here)
11. Total payments from Schedule E, Line 7
12. Penalty (see instructions)
13. Interest (see instructions)
14. Penalty on estimated franchise and excise tax payments
15. Interest on estimated franchise and excise tax payments
16. Total amount due (overpaid) (add Lines 10, 12, 13, 14, and 15, subtract Line 11)

If overpayment reported on Line 16, complete A and/or B below:

- A. Credit to next year's tax \$
B. Refund \$

Signature and declaration section. Includes fields for Taxpayer's Signature, Date, Title, Tax Preparer's Signature, Preparer's PTIN, Date, Telephone, Preparer's Address, City, State, ZIP Code, and Preparer's Email Address. Includes a declaration statement and a 'Power of Attorney' checkbox.

FOR OFFICE USE ONLY

Two rows of empty boxes for office use.

Taxable Year	Taxpayer Name	Account No./FEIN
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Schedule D - Schedule of Credits

- 1. Gross Premiums Tax Credit (cannot exceed Schedule C, Line 8) (1) _____
- 2. Tennessee income tax (cannot exceed Schedule B, Line 5) (2) _____
- 3. Green Energy Tax Credit from business plans filed prior to July 1, 2015 (3) _____
- 4. Brownfield Property Credit (4) _____
- 5. Industrial Machinery Credit from Schedule T, Line 11 (5) _____
- 6. Job Tax Credit from Schedule X, Line 46 (6) _____
- 7. Additional Annual Job Tax Credit from Schedule X, Line 38 (7) _____
- 8. Total credit (add Lines 1 through 7; enter here and on Schedule C, Line 9) (8) _____

Schedule E - Schedule of Required Quarterly Installments and Payments

	Required Quarterly Installments	Amount Paid
1. Overpayment from previous year, if available		(1) _____
2. First quarterly estimate (2a)	_____	(2b) _____
3. Second quarterly estimate (3a)	_____	(3b) _____
4. Third quarterly estimate (4a)	_____	(4b) _____
5. Fourth quarterly estimate (5a)	_____	(5b) _____
6. Extension payment		(6) _____
7. Total payments (add Lines 1 through 6; enter here and on Schedule C, Line 11)		(7) _____

Computation of Franchise Tax

Schedule F1 - Non-Consolidated Net Worth

- 1. Net worth (total assets less total liabilities) (1) _____
- 2. Indebtedness to or guaranteed by parent or affiliated corporation (cannot be a deduction) (2) _____
- 3. Total (add Lines 1 and 2) (3) _____
- 4. Franchise tax apportionment ratio (Schedules N, O, P, R or S if applicable or 100%) (4) _____ %
- 5. Total (multiply Line 3 by Line 4; enter here and on Schedule A, Line 1) (5) _____

Schedule F2 - Consolidated Net Worth

Schedule F2 is to be completed only if the Consolidated Net Worth Election Registration Application has been filed.

- 1. Consolidated net worth (total assets less total liabilities of the affiliated group) (1) _____
- 2. Franchise tax apportionment ratio (Schedule 170NC, 170SF or 170SC) (2) _____ %
- 3. Total (multiply Line 1 by Line 2; enter here and on Schedule A, Line 1) (3) _____

Schedule G - Determination of Real and Tangible Property

Book Value of Property Owned - Cost less accumulated depreciation

In Tennessee

- 1. Land (1) _____
- 2. Buildings, leaseholds, and improvements (2) _____
- 3. Machinery, equipment, furniture, and fixtures (3) _____
- 4. Automobiles and trucks (4) _____
- 5. Prepaid supplies and other tangible personal property (5) _____
- 6. Ownership share of real and tangible property of a partnership that does not file a return (6) _____
- 7. a. Inventories and work in progress (7a) _____
- b. Exempt finished goods inventory in excess of \$30 million (7b) _____
- 8. Certified pollution control equipment (include copy of certificate) and equipment used to produce electricity at a certified green energy production facility (8) _____
- 9. Exempt required capital investment (9) _____
- 10. Subtotal (add Lines 1 through 7a, subtract Lines 7b through 9) (10) _____

Rental Value of Property Used but Not Owned

Net Annual Rental Paid for:

In Tennessee

- 11. Real property x8 (11) _____
- 12. Machinery and equipment used in manufacturing and processing x3 (12) _____
- 13. Furniture, office machinery, and equipment x2 (13) _____
- 14. Delivery or mobile equipment x1 (14) _____
- 15. Tennessee total (add Lines 10 through 14; enter here and on Schedule A, Line 2) (15) _____

Schedule H - Gross Receipts

- 1. Gross receipts or sales per federal income tax return (1) _____

Taxable Year	Taxpayer Name	Account No./FEIN
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Computation of Excise Tax

Schedule J1 - Computation of Net Earnings for Entities Treated as Partnerships

Additions:

- 1. Ordinary income or loss (federal Form 1065, Line 22) (1) _____
- 2. Income items specifically allocated to partners, including guaranteed payments to partners (2) _____
- 3. Any net loss or expense distributed to a publicly traded REIT (3) _____
- 4. Total additions (add Lines 1 through 3) (4) _____

Deductions:

- 5. Expense items specifically allocated to partners not deducted elsewhere (5) _____
- 6. Amount subject to self-employment taxes distributable or paid to each partner or member net of any pass-through expense deducted elsewhere on this return (if negative, enter zero) (include on Schedule K, Line 3) (6) _____
- 7. Amount of contribution to qualified pension or benefit plans of any partner or member, including all IRC 401 plans (include on Schedule K, Line 3) (7) _____
- 8. Any net gain or income distributed to a publicly traded REIT (8) _____
- 9. Any loss on the sale of an asset sold within 12 months after the date of distribution (9) _____
- 10. Total deductions (add Lines 5 through 9) (10) _____
- 11. Total (subtract Line 10 from Line 4; enter here and on Schedule J, Line 1) (11) _____

Schedule J2 - Computation of Net Earnings for a Single Member LLC Filing as an Individual

Additions:

- 1. Business Income or loss from federal Form 1040, Schedule C (1) _____
- 2. Business Income or loss from federal Form 1040, Schedule D (2) _____
- 3. Business Income or loss from federal Form 1040, Schedule E (3) _____
- 4. Business Income or loss from federal Form 1040, Schedule F (4) _____
- 5. Business Income or loss from federal Form 4797 (5) _____
- 6. Other: federal Form _____, Schedule _____ (6) _____
- 7. Total additions (add Lines 1 through 6) (7) _____

Deductions:

- 8. Amount subject to self-employment taxes distributable or paid to the single member (if negative, enter zero; include on Schedule K, Line 3) (8) _____
- 9. Total (subtract Line 8 from Line 7; enter here and on Schedule J, Line 1) (9) _____

Schedule J3 - Computation of Net Earnings for Entities Treated as Subchapter S Corporations

Additions:

- 1. Ordinary income or loss (federal Form 1120S, Line 21) (1) _____
- 2. Income items to extent includable in federal income were it not for "S" status election (2) _____
- 3. Total additions (add Lines 1 and 2) (3) _____

Deductions:

- 4. Expense items to extent includable in federal expenses were it not for "S" status election (4) _____
- 5. Any loss on the sale of an asset sold within 12 months after the date of distribution (5) _____
- 6. Total deductions (add Lines 4 and 5) (6) _____
- 7. Total (subtract Line 6 from Line 3; enter here and on Schedule J, Line 1) (7) _____

Schedule J4 - Computation of Net Earnings for Entities Treated as Corporations and Other Entities

Additions:

- 1. Taxable income or loss before net operating loss deduction and special deductions (federal Form 1120, Line 28) (1) _____
- 2. Unrelated business taxable income (federal Form 990-T, Line 30) (2) _____
- 3. Other: federal Form _____, Schedule _____ (3) _____
- 4. Any deduction for domestic production activities under the provisions of IRC Section 199 (4) _____
- 5. Contribution carryover from prior period(s) (5) _____
- 6. Capital gains offset by capital loss carryover or carryback (6) _____
- 7. Total additions (add Lines 1 through 6) (7) _____

Deductions:

- 8. Contributions in excess of amount allowed by federal government (8) _____
- 9. Portion of current year's capital loss not included in federal taxable income (9) _____
- 10. Total deductions (add Lines 8 and 9) (10) _____
- 11. Total (subtract Line 10 from Line 7; enter here and on Schedule J, Line 1) (11) _____

Taxable Year	Taxpayer Name	Account No./FEIN
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Schedule J - Computation of Net Earnings Subject to Excise Tax

1. Federal income or loss (enter amount from Schedule J1, J2, J3, or J4)(1) _____
- Additions:**
2. Intangible expenses paid, accrued, or incurred to an affiliated business entity or entities deducted for federal income tax purposes (2) _____
3. Any depreciation under the provisions of IRC Section 168 not permitted for excise tax purposes due to Tennessee permanently decoupling from federal bonus depreciation (3) _____
4. Gain on the sale of an asset sold within 12 months after the date of distribution to a nontaxable entity (4) _____
5. Tennessee excise tax expense (to the extent reported for federal income tax purposes) (5) _____
6. Gross premiums tax deducted in determining federal income and used as an excise tax credit (6) _____
7. Interest income on obligations of states and their political subdivisions, less allowable amortization (7) _____
8. Depletion not based on actual recovery of cost (8) _____
9. Excess fair market value over book value of property donated (9) _____
10. Excess rent to/from an affiliate (10) _____
11. Any net loss or expense received from a pass-through entity subject to the excise tax (11) _____
12. Total additions (add Lines 2 through 11) (12) _____
- Deductions:**
13. Any depreciation under the provisions of IRC Section 168 permitted for excise tax purposes due to Tennessee permanently decoupling from federal bonus depreciation (13) _____
14. Any excess gain (or loss) from the basis adjustment resulting from Tennessee permanently decoupling from federal bonus depreciation (14) _____
15. Dividends received from corporations at least 80% owned (15) _____
16. Donations to qualified public school support groups and nonprofit organizations (16) _____
17. Any expense other than income taxes not deducted in determining federal taxable income for which a credit against the federal income tax was allowed (17) _____
18. Adjustments related to the safe harbor lease election (see instructions) (18) _____
19. Nonbusiness earnings (from Schedule M, Line 8) (19) _____
20. Intangible expenses paid, accrued, or incurred to an affiliated entity or entities. Form IE - Intangible Expense Disclosure form must be included with this return (20) _____
21. Intangible income from an affiliated business entity or entities if the corresponding intangible expenses have not been deducted by the affiliate(s) under Tenn. Code Ann. § 67-4-2006(b)(2)(N) (21) _____
22. Any net gain or income received from a pass-through entity subject to the excise tax (22) _____
23. Total deductions (add Lines 13 through 22) (23) _____
- Computation of Taxable Income**
24. Total business income (loss) (add Lines 1 and 12, subtract Line 23; if loss, enter on Schedule K, Line 1) (24) _____
25. Excise tax apportionment ratio (Schedules N, O, P, R or S if applicable or 100%) (25) _____ %
26. Apportioned business income (loss) (multiply Line 24 by Line 25) (26) _____
27. Nonbusiness earnings directly allocated to Tennessee (from Schedule M, Line 9) (27) _____
28. Loss carryover from prior years (from Schedule U) (28) _____
29. Subject to excise tax (add Line 26 and 27, subtract Line 28; enter here and on Schedule B, Line 4) (29) _____

Schedule K - Determination of Loss Carryover Available

1. Net loss from Schedule J, Line 24(1) _____
- Additions:**
2. Amounts reported on Schedule J, Lines 15 and 19 (2) _____
3. Amounts reported on Schedule J1, Lines 6 and 7, and Schedule J2, Line 8 (3) _____
4. Reduced loss (add Lines 1 through 3; if net amount is positive, enter zero) (4) _____
5. Excise tax apportionment ratio (Schedules N, O, P, R or S if applicable or 100%) (5) _____ %
6. Current year loss carryover available (multiply Line 4 by Line 5) (6) _____

Taxable Year	Taxpayer Name	Account No./FEIN
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Schedule M - Nonbusiness Earnings

Allocation and apportionment schedules may be used only by taxpayers doing business outside the state of Tennessee within the meaning of Tenn. Code Ann. §§ 67-4-2010 and 67-4-2110. The burden is on the taxpayer to show that the taxpayer has the right to apportion.

If all earnings are business earnings as defined below, do not complete this schedule. Any nonbusiness earnings, less related expenses, are subject to direct allocation and should be reported in this schedule.

Definitions:

"Business Earnings" -

- 1) earnings arising from transactions and activity in the regular course of the taxpayer's trade or business, or
- 2) earnings from tangible and intangible property if the acquisition, use, management, or disposition of the property constitutes an integral part of the taxpayer's regular trade or business operations

Earnings which arise from the conduct of the trade or trades or business operations of a taxpayer are business earnings, and the taxpayer must show by clear and cogent evidence that particular earnings are classifiable as nonbusiness earnings. A taxpayer may have more than one regular trade or business in determining whether income is business earnings.

"Nonbusiness Earnings" - all earnings other than business earnings

Description of Nonbusiness Earnings (If further description is necessary, see below)	Gross Amounts	*Less Related Expenses	Net Amounts	Net Amounts Allocated Directly to Tennessee
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8. Total nonbusiness earnings (Enter here and on Schedule J, Line 19)				
9. Nonbusiness earnings allocated directly (Enter here and on Schedule J, Line 27)				

If necessary, describe source of nonbusiness earnings and explain why such earnings do not constitute business earnings as defined above. Enumerate these items to correspond with items listed above.

*As a general rule, the allowable deductions for expenses of a taxpayer are related to both business and nonbusiness earnings. Items such as administrative costs, taxes, insurance, repairs, maintenance, and depreciation are to be considered. In the absence of evidence to the contrary, it is assumed that the expenses related to nonbusiness rental earnings will be an amount equal to 50% of such earnings and that expenses related to other nonbusiness earnings will be an amount equal to 5% of such earnings (see TENN. COMP. R. & REGS. 1320-06-01.23(3)).

Taxable Year	Taxpayer Name	Account No./FEIN
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Schedule N - Apportionment - Standard

Property	In Tennessee		Total Everywhere	
	a. Beginning of Taxable Year	b. End of Taxable Year	a. Beginning of Taxable Year	b. End of Taxable Year
Use original cost of assets				
1. Land, buildings, leaseholds, and improvements				
2. Machinery, equipment, furniture, and fixtures				
3. Automobiles and trucks				
4. Inventories and work in progress				
5. Prepaid supplies and other property				
6. Ownership share of real and tangible property of a partnership that does not file a return				
7. Excise tax total (add Lines 1 through 6)	a.	b.	a.	b.
8. Exempt inventory				
9. Franchise tax total (subtract Line 8 from Line 7)	a.	b.	a.	b.
10. Excise tax average value (add Lines 7(a) & (b), divide by two)				
11. Franchise tax average value (add Lines 9(a) & (b), divide by two)				
12. Rented property (rent paid x 8)				
Use triple weighted sales factor	a. In Tennessee	b. Total Everywhere	c. Franchise Ratio	d. Excise Ratio
13. Excise tax property factor (add Lines 10 and 12)				%
14. Franchise tax property factor (add Lines 11 and 12)			%	
15. Payroll factor			%	%
16. Sales factor (business gross receipts)			%	%
17. Total ratios (add Lines 13-15 and (Line 16 x three))			%	%
18. Apportionment ratio (divide Line 17 by five, or by the number of factors with everywhere values greater than zero) (Enter franchise tax apportionment ratio on Sch. F1, Line 4. Enter excise tax apportionment ratio on Sch. J, Line 25.)			%	%

Schedule O - Apportionment - Common Carriers (railroads, motor carriers, pipelines and barges)

	In Tennessee	Total Everywhere	Ratio
1. Total franchise mileage (odometer miles)			%
2. Tennessee gross intrastate receipts and interstate gross receipts everywhere			%
3. Total ratios (add Lines 1 and 2)			%
4. Apportionment ratio (divide Line 3 by two, or by the number of factors with everywhere values greater than zero) (Enter franchise tax apportionment ratio on Schedule F1, Line 4. Enter excise tax apportionment ratio on Schedule J, Line 25.)			%

Schedule P - Apportionment - Air Carriers

	In Tennessee	Total Everywhere	Ratio
1. Originating revenue			%
2. Air miles flown (Include in Tennessee column only air miles flown on flights either originating from or ending in Tennessee or both)			%
3. Total ratios (add Lines 1 and 2)			%
4. Apportionment ratio (divide Line 3 by two, or by the number of factors with everywhere values greater than zero) (Enter franchise tax apportionment ratio on Schedule F1, Line 4. Enter excise tax apportionment ratio on Schedule J, Line 25.)			%

Schedule R - Apportionment - Air Express Carriers

	In Tennessee	Total Everywhere	Ratio
1. Originating revenue			%
2. Air miles flown and ground miles traveled (Include in Tennessee column only air miles flown on flights either originating from or ending in Tennessee or both. Include only ground miles traveled with respect to actual common carriage of persons or property for hire.)			%
3. Total ratios			%
4. Apportionment ratio (divide Line 3 by two, or by the number of factors with everywhere values greater than zero) (Enter franchise tax apportionment ratio on Schedule F1, Line 4. Enter excise tax apportionment ratio on Schedule J, Line 25.)			%

Schedule S - Apportionment - Manufacturer Single Sales Factor

	In Tennessee	Total Everywhere	Ratio
1. Sales factor (business gross receipts) (Enter franchise tax apportionment ratio on Schedule F1, Line 4. Enter excise tax apportionment ratio on Schedule J, Line 25.)			%

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Schedule T - Industrial Machinery and Research and Development Equipment

Part 1: Tax Credit Computation

Franchise and excise taxes may be reduced by a credit on industrial machinery and research and development equipment purchased during the tax period covered by the return and located in Tennessee. The credit is generally computed at 1% of the purchase price of qualified industrial machinery and research and development equipment. The credit taken on any return cannot exceed 50% of the current year's franchise and excise tax liability, but any unused credit may be carried forward 15 years under Tenn. Code Ann. § 67-4-2009(3).

- 1. Purchase price of industrial machinery and research and development equipment(1) _____
- 2. Percentage allowed (generally 1%*)(2) _____ %
- 3. Current year credit (multiply Line 1 by Line 2)(3) _____
- 4. Credit available from prior year(s) (from Schedule V)(4) _____
- 5. Total credit available (add Lines 3 and 4)(5) _____
- 6. Franchise and excise tax liability before any credits (add Schedule A, Line 3 and Schedule B, Line 5)(6) _____
- 7. Limitation on credit (50% of Line 6)(7) _____
- 8. Franchise and excise tax liability before any credits (add Schedule A, Line 3 and Schedule B, Line 5)(8) _____
- 9. Credits from Schedule D, Lines 1 through 4 and Schedule D, Line 7(9) _____
- 10. Tax before Industrial Machinery Credit (subtract Line 9 from Line 8) (10) _____
- 11. Amount available in current year (enter the smaller value of Lines 5, 7, or 10 here, and on Schedule D, Line 5) (11) _____

Part 2: Recapture of Tax Credit

The Industrial Machinery Tax Credit previously established on this form must be partially recaptured if the equipment on which it was based was sold or removed from the state before the end of the equipment's life as established for federal income tax purposes. The recapture amount is a percentage of useful life remaining at the time of sale or removal multiplied by the credit originally established on this form. Previously established credits have either offset tax or populated the carryover table Schedule V. Complete the Industrial Machinery Credit Recapture Worksheet and then enter the applicable recapture amounts on Lines 12 and 13 below.

- 12. Reduction to credit carryover table, Schedule V, from recapture worksheet, Part 2, Line 16 (12) _____
- 13. Recapture of credit from recapture worksheet, Part 2, Line 17 (enter here and on Schedule B, Line 6) ... (13) _____

*The percentage allowed on Part 1, Line 2 above is 1%, unless the taxpayer has met the requirements of Tenn. Code Ann. § 67-4-2009(3)(l) and has been approved by the Commissioner of Revenue for an enhanced rate based on the investment amount. The statutory minimum investment requirements and applicable rates for the enhanced credit are shown on the following chart:

Minimum Required Capital Investment	Rate of Credit
\$100,000,000	3%
\$250,000,000	5%
\$500,000,000	7%
\$1,000,000,000	10%

Taxable Year	Taxpayer Name	Account No./FEIN
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Schedule U - Schedule of Loss Carryover

Year	Period Ended (MM/YY)	Original Return or as Amended	Used in Prior Year(s)	Expired	Loss Carryover Available
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
Total Amount (Enter here and on Schedule J, Line 28)					

Schedule V - Schedule of Industrial Machinery and Research and Development Equipment Credit Carryover

Year	Period Ended (MM/YY)	Original Return or as Amended	Used in Prior Year(s)	Expired or Recaptured	Industrial Machinery Credit Carryover Available
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
Total Amount (Enter here and on Schedule T, Line 4)					