<table>
<thead>
<tr>
<th>(1) Total tax due</th>
<th>Zone Location Code</th>
<th>(2) Qualified business firm income</th>
<th>(3) Percentage of business done within the enterprise zone</th>
<th>(4) Income attributable to enterprise zone activity (Line 2 multiplied by Line 3)</th>
<th>(5) Percentage of enterprise zone income to total income</th>
<th>(6) Tax attributable to enterprise zone activity (Line 1 multiplied by the percentage on Line 5)</th>
</tr>
</thead>
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</table>

**FOR BUSINESSES QUALIFYING PRIOR TO JULY 1, 1995**

**General Tax Credit:**

<table>
<thead>
<tr>
<th>(7) Applicable percentage</th>
<th>(8) General tax credit (Line 6 multiplied by the percentage on Line 7)</th>
<th></th>
</tr>
</thead>
<tbody>
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</table>

**Unemployment Tax Credit:**

<table>
<thead>
<tr>
<th>(9) Current year unemployment tax credit (see instructions)</th>
<th>(10) Carryover unemployment tax credit from prior years</th>
<th>(11) Total unemployment tax credit available this year (add Line 9 and Line 10)</th>
<th>(12) Tax attributable to enterprise zone activity, less any general tax credit (Line 6 less Line 8)</th>
<th>(13) Credit used this year (lesser of Line 11 or Line 12)</th>
<th>(14) Credit carryover to subsequent year (subtract Line 13 from Line 11)</th>
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**FOR BUSINESSES QUALIFYING ON OR AFTER JULY 1, 1995**

**General Tax Credit:**

<table>
<thead>
<tr>
<th>(15) Applicable percentage (see instructions)</th>
<th>(16) Available credit (Line 6 multiplied by the percentage on Line 15)</th>
<th>(17) Credit authorized by the Department of Housing and Community Development</th>
<th>(18) General tax credit (enter the lesser of Line 16 or Line 17)</th>
<th></th>
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**Space Reserved for Future Use**

<table>
<thead>
<tr>
<th>(19)</th>
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</table>

**Zone Investment Tax Credit:**

<table>
<thead>
<tr>
<th>(25) Zone investment tax credit negotiated with the Department of Housing and Community Development</th>
<th>(26) Zone investment tax credit used in prior years</th>
<th>(27) Total zone investment tax credit available this year (subtract Line 26 from Line 25)</th>
<th>(28) Credit authorized by the Department of Housing and Community Development</th>
<th>(29) Lesser of Line 27 or Line 28</th>
<th>(30) Credit used this year (see instructions)</th>
<th>(31) Credit carryover to subsequent year (subtract Line 30 from Line 27)</th>
</tr>
</thead>
<tbody>
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</table>

**Total Enterprise Zone Credit:**

| (32) Enter the total of all applicable Enterprise Zone Credits for this year (add Lines 8, 13, 18 and 30) |
|-------------------------------------------------|-------------------------------------------------|
|                                                 |                                                 |
### FORM 301 INSTRUCTIONS — INDIVIDUAL TAX

**GENERAL INFORMATION:** Enter the zone location code in the box located at the top of the form. This code number can be obtained from the Certificate of Qualification from the Department of Housing and Community Development.

The following rules apply when computing tax credits:
- Where a credit is limited to a percentage of the tax, the "tax" for this purpose shall be the tax liability, less the credit for taxes paid to other states.
- Other income tax credits should be claimed in the order in which they provide the maximum benefit, regardless of the order shown on the return.
- Claim only as much credit as can be used to offset tax liability and keep accurate records of the carryover available for each credit.

#### LINE BY LINE INSTRUCTIONS:

1. Enter the total tax (Line 17 from Form 760 or Line 19 from Form 760PY, Line 4 from Form 770, or Line 19 from Form 763) less any credit claimed for taxes paid to other states.

2. Enter the amount of income derived from a qualified business firm operating within an enterprise zone. Sole proprietorships enter the income reported on federal Schedule C. Pass-Through Entities (S corporation shareholders, partners, LLC owners, etc.) enter the distributive share of income reported to them on federal Schedule K-1. Wages received from pass-through entities (a partnership, S corporation or LLC, etc.) may not be included on this line.

3. Enter the percentage of business done within the enterprise zone. Qualified business firms having taxable income from business activity both inside and outside of an enterprise zone must allocate and apportion on Schedule 500A (Form 500) their taxable income attributable to the conduct of business according to Va. Code § 59.1-280(G). Schedule 500A must be attached to Form 301. Owners of pass-through entities should receive a Schedule 502A (Form 502) from the pass-through entity completed for this purpose, and attach it to their Form 301.

4. Multiply the amount on Line 2 by the percentage on Line 3 and enter the result here and in the "Zone" column on Line 5. If all business was conducted inside the zone, enter the amount from Line 2 in the "Zone" column on Line 5.

5. Enter the amount of zone investment tax credit negotiated with the Department of Housing and Community Development. Enter the amount from Line 26 from Form 301.

6. Multiply the amount on Line 2 by the percentage on Line 3 and enter the result here and in the "Zone" column on Line 5. If all business was conducted inside the zone, enter the amount from Line 2 in the "Zone" column on Line 5.

7. Enter Virginia adjusted gross income (Line 9 of Form 760, Line 10 of Form 760PY, Line 9 from Form 763, or Line 3 of Form 770) in the "Total" column and zone income from Form 301, Line 4 in the "Zone" column. Divide the "Zone" income by the "Total" income and enter the percentage in the third column.

8. Multiply the amount on Line 6 by the percentage on Line 7. This is your current year general tax credit. Any unused tax credit in this category may not be applied to future tax years.

#### FOR BUSINESS QUALIFYING PRIOR TO JULY 1, 1995

**General Tax Credit:**

- Enter the applicable percentage corresponding to the qualification year as follows:
  - Operations prior to July 1, 1992
    - First tax year- 80%  
    - Second tax year- 60%
  - Operations beginning on or after July 1, 1992
    - First tax year- 80%
    - Second through tenth tax years- 60%
  - Add Lines 9 and 10. This is the total unemployment tax credit available for the year.

**Unemployment Tax Credit:**

- Enter the carryover amount from the prior year. Attach computation of the carryover amount.
- Enter the remaining tax attributable to enterprise zone activity (Line 6 less Line 8)
- Enter the amount on Line 11 or Line 12, whichever is less.
- Enter the total from the amount on Line 13 from the amount on Line 11.

**FOR BUSINESSES QUALIFYING ON OR AFTER JULY 1, 1995**

**General Tax Credit:**

- Enter the percentage authorized by the Department of Housing and Community Development.
- Enter the total zone investment tax credit used in prior years.
- Enter the amount on Line 26 from Form 301.
- Enter the amount on Line 27 or Line 28, whichever is less.
- Enter the amount from Line 29, not to exceed the remaining tax attributable to enterprise zone activity (Line 6 less Line 8) .

**Zone Investment Tax Credit:**

- Enter the total amount of credit used in prior years.
- Enter the amount on Line 29.
- Enter the lesser of Line 6 or Line 7. This is your current year general tax credit. Any unused tax credit may not be applied to future tax years.

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**Total Enterprise Zone Credit:**

- Enter the total amount of all applicable Enterprice Zone credits for this year from Lines 8, 13, 18 and 30.
- Enter the total here and on Schedule CR, Part 2, Line 2A (Form 760, 760PY, 763) or for Form 770 filers, Line 5(f).

**NOTE:** When qualifying in more than one enterprise zone, complete a separate Form 301 for each zone. Add the total credit amount from each Form 301 and enter that amount on Schedule CR, Part 2, Line 2A (Form 760, 760PY, 763) or for Form 770 filers, Line 5(f) of the return.

For additional information, call (804) 367-8031 or write the Department of Taxation, P.O. Box 1115, Richmond, VA 23218-1115. You can obtain most Virginia tax forms from the Department of Taxation’s website at www.tax.virginia.gov.

**For assistance contact**

Virginia Department of Taxation
P. O. Box 1115
Richmond, VA 23218-1115
(804) 367-8031

**Tenemos servicios disponible en Español.**