



TAXPAYER NAME: \_\_\_\_\_ TAXPAYER FEIN: \_\_\_\_\_ FOR THE TAX PERIOD \_\_\_\_\_, 20 \_\_\_\_ through \_\_\_\_\_, 20 \_\_\_\_

Recipient related member who received interest/intangible income from the taxpayer:	Related Member 1	Related Member 2	Related Member 3	Related Member 4
1 a. Recipient related member FEIN.....	● 1a			
b. Recipient related member name.....	● 1b			
2 List the intangible expense amounts paid to the recipient related member.....	● 2			
3 List the interest expense amounts paid to the recipient related member.....	● 3			
4 Total intangible/interest expenses paid (total lines 2 and 3).....	● 4			

To determine the exempt amount of intangible/interest expense, complete the applicable section(s) below.

<b>5 Exemption related to §40-18-35(b)(1):</b>				
a. Jurisdiction(s) where recipient related member income is "subject to tax" and not allocated.....	● 5a			
b. Amount of Interest/Intangible subject to apportionment in jurisdiction(s).....	● 5b			
c. Recipient related member's total apportionment percentage in the above jurisdiction(s).....	● 5c	%	%	%
d. Interest/Intangible apportioned to jurisdictions (multiply Line 5b by Line 5c).....	● 5d			
e. Intangible/Interest income allocated to jurisdiction(s).....	● 5e			
f. Add Line 5d and Line 5e.....	● 5f			
<b>6 Exemption related to §40-18-35(b)(2) and §40-18-35(b)(4) – Amount of Line 4 expense not added back.....</b>	● 6			
<b>7 Exemption related to §40-18-35(b)(3) – Amount of Line 4 expense not added back.....</b>	● 7			
<b>8 Recipient related member receipts by category:</b> a. Intangible receipts.....	● 8a			
b. Interest receipts.....	● 8b			
<b>9</b> ● a. _____	● 9a			
● b. _____	● 9b			
● c. _____	● 9c			
● d. _____	● 9d			
<b>10 a.</b> If either Lines 8a or 8b are greater than Lines 9a, 9b, 9c or 9d, enter zero.....	● 10a			
b. If Lines 9a, 9b, 9c or 9d are greater than Lines 8a or 8b, enter amount from Line 7.....	● 10b			
<b>11 Exempt Amount.</b> Enter the greater of Lines 5f, 6, 10a or 10b.....	● 11			
<b>12 Interest Expense Disallowed per IRC 163(j)</b> (allocated pro rata see instructions).....	● 12			
<b>12a Exempt Amount of Disallowed IRC 163(j)</b> (Line 11 divided by Line 4, multiplied by Line 12).....	● 12a			
<b>12b Non -Exempt amount of Disallowed IRC 163(j)</b> (Line 12 minus Line 12a).....	● 12b			
<b>13 Section 163(j) Carryforward</b> .....	● 13			
<b>14 Total Intangible/Interest expenses paid to all related members less total disallowed 163(j) Interest</b> (sum of all Line 4 for all related members minus all Line 12 for all related members plus all Line 13 for all related members).....	● 14			
<b>15 Total Exempt Amount.</b> (Line 11 minus Line 12a for all related members from all pages) ...	● 15			

In order to qualify for the exemption presented in §40-18-35(b)(3) and §40-18-24(e), Line 10b must be greater than zero and an informed corporate officer must sign Schedule AB, executed under penalty of perjury. This signature denotes that tax avoidance was not a principal motivating factor with respect to the transaction(s) giving rise to the related member's interest/intangible expenses and costs.

Signature \_\_\_\_\_  
Title \_\_\_\_\_ Date \_\_\_\_\_

THIS FORM MUST BE ATTACHED TO FORM 20C.



TAXPAYER NAME: \_\_\_\_\_ TAXPAYER FEIN: \_\_\_\_\_ FOR THE TAX PERIOD \_\_\_\_\_, 20 \_\_\_\_ through \_\_\_\_\_, 20 \_\_\_\_

A column must be completed for each recipient related member. Attach additional pages as needed and enter the totals of Lines 4, 11, and 13 for all related members from all pages on Page 1, Lines 14 and 15.

Recipient related member who received interest/intangible income from the taxpayer:	Related Member 1	Related Member 2	Related Member 3	Related Member 4
1 a. Recipient related member FEIN.....	● 1a			
b. Recipient related member name.....	● 1b			
2 List the intangible expense amounts paid to the recipient related member.....	● 2			
3 List the interest expense amounts paid to the recipient related member.....	● 3			
4 Total intangible/interest expenses paid (total lines 2 and 3).....	● 4			
To determine the exempt amount of intangible/interest expense, complete the applicable section(s) below.				
5 Exemption related to §40-18-35(b)(1):				
a. Jurisdiction(s) where recipient related member income is "subject to tax" and not allocated.....	● 5a			
b. Amount of Interest/Intangible subject to apportionment in jurisdiction(s).....	● 5b			
c. Recipient related member's total apportionment percentage in the above jurisdiction(s).....	● 5c	%	%	%
d. Interest/Intangible apportioned to jurisdictions (multiply Line 5b by Line 5c).....	● 5d			
e. Intangible/Interest income allocated to jurisdiction(s).....	● 5e			
f. Add Line 5d and Line 5e.....	● 5f			
6 Exemption related to §40-18-35(b)(2) and §40-18-35(b)(4) – Amount of Line 4 expense not added back.....	● 6			
7 Exemption related to §40-18-35(b)(3) – Amount of Line 4 expense not added back.....	● 7			
8 Recipient related member receipts by category: a. Intangible receipts.....	● 8a			
b. Interest receipts.....	● 8b			
9 ● a. _____	● 9a			
● b. _____	● 9b			
● c. _____	● 9c			
● d. _____	● 9d			
10 a. If either Lines 8a or 8b are greater than Lines 9a, 9b, 9c or 9d, enter zero.....	● 10a			
b. If Lines 9a, 9b, 9c, or 9d are greater than Lines 8a or 8b, enter amount from Line 7.....	● 10b			
11 Exempt Amount. Enter the greater of Lines 5f, 6, 10a or 10b.....	● 11			
12 Interest Expense Disallowed per IRC 163(j) (allocated pro rata see instructions).....	● 12			
12a Exempt amount of Disallowed IRC 163(j) (Line 11 divided by Line 4, multiplied by Line 12).....	● 12a			
12b Non -Exempt amount of Disallowed IRC 163(j) (Line 12 minus Line 12a).....	● 12b			
13 Section 163(j) Carryforward.....	● 13			

FOR RECIPIENT RELATED MEMBERS WHO RECEIVED INTEREST/INTANGIBLE INCOME FROM THE TAXPAYER, PLEASE ATTACH ADDITIONAL SCHEDULES AB. (ONLY USE THIS PAGE FOR ADDITIONAL MEMBERS)