



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 11-1111111	22-2222222	33-3333333	44-4444444
b. Recipient related member name.....	● 1b BCA Corp	CAB Corp	DEF Corp	EFG Corp
2 List the intangible expense amounts paid to the recipient related member.....	● 2 50,000,000	0	0	0
3 List the interest expense amounts paid to the recipient related member.....	● 3 0	10,000,000	20,000,000	4,000,000
4 Total intangible/interest expenses paid (total lines 2 and 3).....	● 4 50,000,000	10,000,000	20,000,000	4,000,000

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	GA, PA, TX, FL, LA	CA, MS, TN	
b. Amount of Interest/Intangible subject to apportionment in jurisdiction(s).....	● 5b 0	10,000,000	19,500,000	0
c. Recipient related member's total apportionment percentage in the above jurisdiction(s).....	● 5c 0 %	30 %	15 %	0 %
d. Interest/Intangible apportioned to jurisdictions (multiply Line 5b by Line 5c).....	● 5d 0	3,000,000	2,925,000	0
e. Intangible/Interest income allocated to jurisdiction(s).....	● 5e 0	0	500,000	0
f. Add Line 5d and Line 5e.....	● 5f 0	3,000,000	3,425,000	0

**6 Exemption related to §40-18-35(b)(2) and §40-18-35(b)(4) – Amount of Line 4 expense not added back.....**

● 6 0	0	0	0	4,000,000
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**7 Exemption related to §40-18-35(b)(3) – Amount of Line 4 expense not added back.....**

● 7 50,000,000	0	0	20,000,000	0
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**8 Recipient related member receipts by category:**

a. Intangible receipts.....	● 8a 0	0	0	0
b. Interest receipts.....	● 8b 50,000,000	0	30,000,000	0
9 ● a.....	● 9a 0	0	2,000,000	0
● b.....	● 9b 60,000,000	0	1,000,000	0
● c.....	● 9c 250,000,000	0	250,000	0
● d.....	● 9d 1,000,000	0	0	0

**10 a.** If either Lines 8a or 8b are greater than Lines 9a, 9b, 9c or 9d, enter zero.....

● 10a 0	0	0	0	0
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**b.** If Lines 9a, 9b, 9c or 9d are greater than Lines 8a or 8b, enter amount from Line 7.....

● 10b 50,000,000	0	0	0	0
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**11 Exempt Amount.** Enter the greater of Lines 5f, 6, 10a or 10b.....

● 11 50,000,000	3,000,000	3,425,000	4,000,000	0
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**12 Interest Expense Disallowed per IRC 163(j)** (allocated pro rata see instructions).....

● 12 0	3,529,416	7,058,820	1,411,764	
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**12a Exempt amount of Disallowed IRC 163(j)** (Line 11 divided by Line 4, multiplied by Line 12).....

● 12a 0	1,058,825	1,208,823	1,411,764	
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**12b Non -Exempt amount of Disallowed IRC 163(j)** (Line 12 minus Line 12a).....

● 12b 0	2,470,591	5,849,997	0	
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**13 Section 163(j) Carryforward.....**

● 13	800,000			550,000
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**14 Total Intangible/Interest expenses paid to all related members less total disallowed IRC 163(j) Interest** (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 73,350,000				
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**15 Total Exempt Amount.** (Line 11 minus Line 12a for all related members from all pages).....

● 15 56,745,588				
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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 Corporate Officer  
Title CFO Date 4/15/26