

# 1998 Wisconsin Exempt Organization Business Taxes Form 4T Instructions

## New for 1998 . . .

- **Manufacturer's sales tax credit law changes**  
For taxable years beginning on or after January 1, 1998, exempt organizations taxable as trusts which are engaged in manufacturing may claim a manufacturer's sales tax credit. In addition, tax-option corporations and partnerships, including LLCs treated as partnerships, that are engaged in manufacturing may also compute a manufacturer's sales tax credit and pass it through to their shareholders or partners.
- **Temporary recycling surcharge rate reduction**  
For taxable years beginning on or after January 1, 1998, the temporary recycling surcharge rate is reduced from 5.5% to 2.75% of gross tax for exempt organizations taxable as corporations and from 0.4345% to 0.2173% of the nonfarm unrelated business taxable income for exempt organizations taxable as trusts.

## Important . . .

- **Exempt corporations with federal extensions allowed an extra 30 days to file Wisconsin returns**  
An exempt corporation receiving an extension of time to file its federal income tax return automatically extends the time for filing the Wisconsin return to 30 days after the federal due date, if you attach a copy of that extension to the return you file. See page 2.
- **Indicate type of organization**  
Make sure you indicate the type of your organization by checking the appropriate box under item E on page 1 of Form 4T. Failure to do so may result in the incorrect processing of your return.

## Don't Forget . . .

- **Use the preprinted label**
- **Fill in your federal employer ID number**
- **Fill out the form completely**
- **Attach a copy of your federal return and any other required forms, schedules, or statements**
- **Attach a copy of any extension**
- **Sign the return**

## For More Information . . .

- **Visit the Department of Revenue's Internet website at <http://www.dor.state.wi.us>**  
At this site you may obtain additional information about the Department of Revenue and answers to the most frequently asked questions. You may also download or request tax forms and publications.
- **Subscribe to the Department of Revenue's publications**  
The *Wisconsin Tax Bulletin* is a quarterly newsletter that provides information about new Wisconsin tax laws, court decisions, and interpretations of law. Subscriptions cost \$7 per year.

The **Topical and Court Case Index** gives references to Wisconsin statutes, administrative rules, *Wisconsin Tax Bulletin* tax releases and private letter rulings, publications, and court decisions. The index is published in December, with an addendum provided in May. The annual cost is \$18, plus sales tax.

To order the bulletin or index, send a check made payable to "Document Sales" to the Wisconsin Department of Administration, P.O. Box 7840, Madison, WI 53707-7840.

## Wisconsin Business Activity Codes

Using the list below, determine the proper code to enter in item D, Wisconsin Business Activity Code, on page 1 of your return. Enter the code which reflects the exempt organization's major business activity (the activity which accounted for the largest percentage of total receipts).

### AGRICULTURE, FORESTRY, AND FISHING

0100 Agricultural Production — Crops  
 0200 Agricultural Production — Livestock  
 0710 Soil Preparation Services  
 0720 Crop Services  
 0740 Veterinary Services  
 0750 Animal Services, except Veterinary  
 0760 Farm Labor and Management Services  
 0780 Landscape and Horticultural Services  
 0800 Forestry  
 0900 Fishing, Hunting, and Trapping

### MINING

1000 Metal Mining  
 1200 Coal Mining  
 1300 Oil and Gas Extraction  
 1400 Nonmetallic Minerals, except Fuels

### CONSTRUCTION

1500 General Building Contractors  
 1610 Highway and Street Construction  
 1620 Heavy Construction, except Highway  
 1710 Plumbing, Heating, Air Conditioning  
 1720 Painting and Paper Hanging  
 1730 Electrical Work  
 1740 Masonry, Stonework, and Plastering  
 1750 Carpentry and Floor Work  
 1760 Roofing, Siding, Sheet Metal Work  
 1770 Concrete Work  
 1780 Water Well Drilling  
 1790 Miscellaneous Special Trade Contractors

### MANUFACTURING

#### Food and Kindred Products

2010 Meat Products  
 2020 Dairy Products  
 2030 Preserved Fruits and Vegetables  
 2040 Grain Mill Products  
 2050 Bakery Products  
 2060 Sugar and Confectionery Products  
 2070 Fats and Oils  
 2080 Beverages  
 2090 Miscellaneous Food and Kindred Products

#### Tobacco, Textile, and Apparel Products

2100 Tobacco Products  
 2200 Textile Mill Products  
 2300 Apparel and Other Textile Products

#### Lumber and Wood Products

2410 Logging  
 2420 Sawmills and Planing Mills  
 2430 Millwork, Plywood, Structural Members  
 2440 Wood Containers  
 2450 Wood Buildings and Mobile Homes  
 2490 Miscellaneous Wood Products

#### Furniture and Fixtures

2500 Furniture and Fixtures  
 2600 Paper and Allied Products

#### Printing and Publishing

2710 Newspapers  
 2720 Periodicals  
 2730 Books  
 2740 Miscellaneous Publishing  
 2750 Commercial Printing  
 2760 Manifold Business Forms  
 2770 Greeting Cards  
 2780 Blankbooks and Bookbinding  
 2790 Printing Trade Service

#### Other Manufacturing

2800 Chemicals and Allied Products  
 2900 Petroleum and Coal Products  
 3000 Rubber and Miscellaneous Plastic Products  
 3100 Leather and Leather Products  
 3200 Stone, Clay, and Glass Products  
 3300 Primary Metal Industries  
 3400 Fabricated Metal Products  
 3500 Industrial Machinery and Equipment  
 3570 Computer and Office Equipment  
 3600 Electronic and Other Electric Equipment  
 3700 Transportation Equipment  
 3800 Instruments and Related Products  
 3900 Miscellaneous Manufacturing Industries

### TRANSPORTATION AND PUBLIC UTILITIES

#### Transportation

4000 Railroad Transportation  
 4100 Local and Interurban Passenger Transit  
 4200 Trucking and Warehousing  
 4400 Water Transportation  
 4500 Transportation by Air  
 4600 Pipelines, except Natural Gas  
 4700 Transportation Services

#### Communications

4810 Telephone Communication  
 4820 Telegraph and Other Communications  
 4830 Radio and Television Broadcasting  
 4840 Cable and Other Pay TV Services  
 4890 Other Communication Services

#### Electric, Gas, and Sanitary Services

4910 Electric Services  
 4920 Gas Production and Distribution  
 4930 Combined Utility Services  
 4940 Water Supply  
 4950 Sanitary Services  
 4960 Steam and Air Conditioning Supply  
 4970 Irrigation Systems

### WHOLESALE TRADE

#### Wholesale Trade — Durable Goods

5010 Motor Vehicles, Auto Parts, and Supplies  
 5020 Furniture and Home Furnishings  
 5030 Lumber and Construction Materials  
 5040 Professional and Commercial Equipment  
 5050 Metals and Minerals, except Petroleum  
 5060 Electrical Goods  
 5070 Hardware, Plumbing, and Heating Equipment  
 5080 Machinery, Equipment, and Supplies  
 5090 Miscellaneous Durable Goods

#### Wholesale Trade — Nondurable Goods

5110 Paper and Paper Products  
 5120 Drugs, Drug Proprietaries, and Sundries  
 5130 Apparel, Piece Goods, and Notions  
 5140 Groceries and Related Products  
 5150 Farm-Product Raw Materials  
 5160 Chemicals and Allied Products  
 5170 Petroleum and Petroleum Products  
 5180 Beer, Wine, and Distilled Beverages  
 5190 Miscellaneous Nondurable Goods

### RETAIL TRADE

#### Building Materials and Garden Supplies

5210 Lumber and Other Building Supplies  
 5230 Paint, Glass, and Wallpaper Stores  
 5250 Hardware Stores  
 5260 Retail Nurseries and Garden Stores  
 5270 Mobile Home Dealers

#### General Merchandise Stores

5310 Department Stores  
 5330 Variety Stores  
 5390 Miscellaneous General Merchandise Stores

#### Food Stores

5410 Grocery Stores  
 5420 Meat and Fish Markets  
 5430 Fruit and Vegetable Markets  
 5440 Candy, Nut, and Confectionery Stores  
 5450 Dairy Products Stores  
 5460 Retail Bakeries  
 5490 Miscellaneous Food Stores

#### Automotive Dealers and Service Stations

5510 New and Used Car Dealers  
 5520 Used Car Dealers  
 5530 Auto and Home Supply Stores  
 5540 Gasoline Service Stations  
 5550 Boat Dealers  
 5560 Recreational Vehicle Dealers  
 5570 Motorcycle Dealers  
 5590 Automotive Dealers, not elsewhere classified

#### Apparel and Accessory Stores

5600 Apparel and Accessory Stores

### Furniture and Home Furnishings Stores

5710 Furniture and Home Furnishings Stores  
 5720 Household Appliance Stores  
 5730 Radio, TV, and Computer Stores

### Eating and Drinking Places

5812 Eating Places  
 5813 Drinking Places

### Miscellaneous Retail

5910 Drug Stores and Proprietary Stores  
 5920 Liquor Stores  
 5930 Used Merchandise Stores  
 5941 Sporting Goods and Bicycle Shops  
 5942 Book Stores  
 5943 Stationery Stores  
 5944 Jewelry Stores  
 5945 Hobby, Toy, and Game Shops  
 5946 Camera and Photographic Supply Stores

5947 Gift, Novelty, and Souvenir Shops  
 5948 Luggage and Leather Goods Stores  
 5949 Sewing, Needlework, and Piece Goods Stores

5961 Catalog and Mail Order Houses  
 5962 Merchandising Machine Operators  
 5963 Direct Selling Establishments  
 5983 Fuel Oil Dealers  
 5984 Liquefied Petroleum Gas Dealers  
 5989 Fuel Dealers, not elsewhere classified  
 5992 Florists  
 5993 Tobacco Stores and Stands  
 5994 News Dealers and News Stands  
 5995 Optical Goods Stores  
 5999 Miscellaneous Retail Stores, not elsewhere classified

### FINANCE, INSURANCE, AND REAL ESTATE

6000 Depository Institutions  
 6100 Nondepository Institutions  
 6200 Security and Commodity Brokers  
 6300 Insurance Carriers  
 6400 Insurance Agents, Brokers, and Service  
 6510 Real Estate Operators and Lessors  
 6530 Real Estate Agents and Managers  
 6540 Title Abstract Offices  
 6550 Subdividers and Developers  
 6700 Holding and Other Investment Offices

### SERVICES

#### Hotels and Other Lodging Places

7010 Hotels and Motels  
 7020 Rooming and Boarding Houses  
 7030 Camps and Recreational Vehicle Parks  
 7040 Membership-Basis Organization Hotels

#### Personal Services

7210 Laundry, Cleaning, and Garment Services  
 7220 Photographic Studios, Portrait  
 7230 Beauty Shops  
 7240 Barber Shops  
 7250 Shoe Repair and Shoeshine Parlors  
 7260 Funeral Services and Crematories  
 7291 Tax Return Preparation Services  
 7299 Miscellaneous Personal Services, not elsewhere classified

#### Business Services

7310 Advertising  
 7320 Credit Reporting and Collection  
 7330 Mailing, Reproduction, Stenographic  
 7342 Disinfecting and Pest Control  
 7349 Building Maintenance Services, not elsewhere classified  
 7350 Miscellaneous Equipment Rental and Leasing

#### Personnel Supply Services

7360 Personnel Supply Services  
**Computer and Data Processing Services**  
 7371 Computer Programming Services  
 7372 Prepackaged Software  
 7373 Computer Integrated Systems Design  
 7374 Data Processing and Preparation  
 7375 Information Retrieval Services  
 7376 Computer Facilities Management

7377 Computer Rental and Leasing  
 7378 Computer Maintenance and Repair  
 7379 Computer Related Services

### Miscellaneous Business Services

7381 Detective and Armored Car Services  
 7382 Security Systems Services  
 7383 News Syndicates  
 7384 Photo Finishing Laboratories  
 7389 Business Services, not elsewhere classified

### Auto Repair, Services, and Parking

7510 Automotive Rentals, No Drivers  
 7520 Automobile Parking  
 7530 Automotive Repair Shops  
 7540 Automotive Services, except Repair

### Miscellaneous Repair Services

7620 Electrical Repair Shops  
 7630 Watch, Clock, and Jewelry Repair  
 7640 Reupholstery and Furniture Repair  
 7690 Miscellaneous Repair Shops

### Motion Pictures

7810 Motion Picture Production and Services  
 7820 Motion Picture Distribution and Services  
 7830 Motion Picture Theaters  
 7840 Video Tape Rental

### Amusement and Recreational Services

7910 Dance Studios, Schools, and Halls  
 7920 Producers, Orchestras, Entertainers  
 7930 Bowling Centers  
 7940 Commercial Sports  
 7991 Physical Fitness Facilities  
 7992 Public Golf Courses  
 7993 Coin-Operated Amusement Devices  
 7996 Amusement Parks  
 7997 Membership Sports and Recreation Clubs

### Amusement and Recreation, not elsewhere classified

7999 Amusement and Recreation, not elsewhere classified  
**Health Services**  
 8010 Offices and Clinics of Medical Doctors  
 8020 Offices and Clinics of Dentists  
 8030 Offices of Osteopathic Physicians  
 8040 Offices of Other Health Practitioners  
 8050 Nursing and Personal Care Facilities  
 8060 Hospitals  
 8070 Medical and Dental Laboratories  
 8080 Home Health Care Services  
 8090 Health and Allied Services, not elsewhere classified

### Other Services

8100 Legal Services  
 8210 Elementary and Secondary Schools  
 8220 Colleges and Universities  
 8230 Libraries  
 8240 Vocational Schools  
 8290 Schools and Educational Services, not elsewhere classified  
 8320 Individual and Family Services  
 8330 Job Training and Related Services  
 8350 Child Day Care Services  
 8390 Social Services, not elsewhere classified  
 8400 Museums, Botanical, and Zoological Gardens  
 8610 Business Associations  
 8620 Professional Organizations  
 8630 Labor Organizations  
 8640 Civic and Social Organizations  
 8650 Political Organizations  
 8660 Religious Organizations  
 8690 Membership Organizations, not elsewhere classified  
 8710 Engineering and Architectural Services  
 8720 Accounting, Auditing, and Bookkeeping  
 8730 Research and Testing Services  
 8740 Management and Public Relations  
 8900 Services, not elsewhere classified  
**PUBLIC ADMINISTRATION**  
 9100 Executive, Legislative, and General Government  
 9200 Justice, Public Order, and Safety

### Purpose of Form

Tax-exempt organizations and certain individual retirement arrangements (IRAs) or Medical Savings Accounts (MSAs) use Form 4T to report their unrelated business taxable income; to compute their Wisconsin franchise or income tax liability; and to figure their temporary recycling surcharge.

### Who Must File

- Organizations exempt from Wisconsin income taxation under sec. 71.26(1)(a) or 71.45(1), Wis. Stats., that have at least \$1,000 of gross income from an unrelated trade or business for federal income tax purposes, must file federal Form 990-T, and do business in Wisconsin.
- Organizations exempt from Wisconsin income taxation under sec. 71.26(1)(a) or 71.45(1), Wis. Stats., that are the sole owner of an LLC which is disregarded as a separate entity, have at least \$1,000 of gross income from an unrelated trade or business for federal income tax purposes, must file federal Form 990-T, and do business in Wisconsin.
- Trusts exempt from federal income tax under Internal Revenue Code (IRC) section 501(a) that have at least \$1,000 of gross income from an unrelated trade or business for federal income tax purposes, must file federal Form 990-T, and have income from Wisconsin sources, such as business transacted or property located in Wisconsin.
- IRAs and MSAs described in IRC sections 408(a) and 220(d) that have at least \$1,000 of gross income from an unrelated trade or business for federal income tax purposes, must file federal Form 990-T, and have income from Wisconsin sources, such as business transacted or property located in Wisconsin.

“Gross income” of a manufacturing, merchandising, or mining business is the total receipts or sales, less the cost of goods sold, plus the gross income from other sources that is includable in unrelated business taxable income.

### Who Is Not Required to File

- Exempt organizations that aren't subject to tax on unrelated business taxable income under IRC section 511 and aren't required to file federal Form 990-T.
- Employee benefit plans established by an employer engaged in or affecting interstate commerce or by an employee organization that represents employees engaged in or affecting interstate commerce. This exception doesn't apply to government plans, church plans not electing under the vesting, etc., provisions, worker's compensation plans, non-U.S. plans primarily for nonresident aliens, and “excess benefit plans.”
- The State of Wisconsin, including the University of Wisconsin System, or any county, village, school district, or other political unit of the State of Wisconsin.
- Credit unions.

### Temporary Recycling Surcharge

For taxable years ending after April 1, 1991, and ending before April 1, 1999, exempt organizations that must file Wisconsin Form 4T are subject to a temporary recycling surcharge, with certain exceptions.

The surcharge doesn't apply to:

- Corporations that have less than \$4,000 of total receipts from all unrelated trade or business activities for federal income tax purposes.  
“Total receipts from all unrelated trade or business activities” means gross receipts, gross sales, gross dividends, gross interest income, gross rents, gross royalties, the gross sales price from the disposition of capital and business assets, gross receipts passed through from other entities, and all other receipts that are included in unrelated business taxable income for federal income tax purposes.
- Trusts not engaged in farming with less than \$4,000 of gross receipts from all unrelated trade or business activities for federal income tax purposes.
- Trusts engaged solely in farming with less than \$1,000 of net farm profit for federal income tax purposes.
- Trusts engaged in both farming and other unrelated trade or business activities with less than \$4,000 of gross receipts from all nonfarm trade or business activities for federal income tax purposes and less than \$1,000 of net farm profit for federal income tax purposes.
- Trusts and IRAs whose entire unrelated business taxable income was passed through from partnerships, provided the partnerships paid any temporary recycling surcharge due on the income.

**Caution:** The temporary recycling surcharge is scheduled to expire for taxable years ending on or after April 1, 1999.

For more information, see Publication 400, *Wisconsin's Temporary Recycling Surcharge*, which may be obtained from any Department of Revenue office.

### How to Obtain Forms

If you need forms or publications, you may:

- call (608) 266-1961
- write to the Forms Request Office, Wisconsin Department of Revenue, P.O. Box 8903, Madison, WI 53708-8903
- use your fax telephone to call the department's Fax-A-Form Retrieval System at (608)261-6229
- download forms and publications from the department's Internet website at <http://www.dor.state.wi.us>
- use the Tax Forms and Publications Request Form on the department's Internet website
- call or visit any Department of Revenue office

**How to Obtain Assistance**

If you need help in preparing a corporation franchise or income tax return, you may:

- call (608) 266-2772 [TTY (608)267-1049]
- write to the Audit Bureau, Wisconsin Department of Revenue, P.O. Box 8906, Madison, WI 53708-8906
- send a FAX to (608)267-0834
- e-mail your question to corp@mail.state.wi.us
- call or visit any Department of Revenue office

**Period Covered by Return**

The return must cover the same period as the exempt organization's federal business income tax return, Form 990-T. A 1998 Wisconsin return must be filed by an exempt organization for calendar year 1998 or a fiscal year that begins in 1998. A fiscal year may end only on the last day of a month. The period covered by the return can't exceed 12 months.

However, exempt organizations reporting on a 52 to 53 week period for federal tax purposes must file on the same reporting period for Wisconsin. The Department of Revenue will consider the reporting period as ending on the last day of the month closest to the end of the 52 to 53 week period for purposes of due dates, extensions, and assessments of interest and penalties.

**Change in Accounting Period**

Any change in accounting period made for federal purposes must also be made for Wisconsin purposes. Attach to the Wisconsin return, for the first taxable year for which the change applies, a copy of the Internal Revenue Service's notice of approval of accounting period change if the IRS's approval is required or an explanation of the change if the IRS's approval isn't required.

**Accounting Methods**

In computing unrelated business taxable income, the method of accounting must be the same method used in computing federal unrelated business taxable income. However, if the method used for federal purposes isn't authorized under the Internal Revenue Code in effect for Wisconsin purposes, use a method authorized under the Internal Revenue Code in effect for Wisconsin.

**Change in Accounting Method**

A change in accounting method made for federal purposes must also be made for Wisconsin purposes, unless the change isn't authorized under the Internal Revenue Code in effect for Wisconsin. Adjustments required federally as a result of a change made while an exempt corporation is subject to Wisconsin taxation must also be made for Wisconsin purposes, except in the last year that an exempt corporation is subject to taxation by Wisconsin it must take into account all remaining adjustments required.

Attach to the Wisconsin return, for the first taxable year for which the change applies, either a copy of the application for

change in accounting method filed with the Internal Revenue Service and a copy of the IRS's consent if the IRS's approval is required or an explanation of the change if the IRS's approval isn't required.

**Elections**

As explained above, an exempt corporation can't make different elections for federal and Wisconsin purposes with respect to accounting periods and accounting methods, unless the federal method isn't permitted under the Internal Revenue Code in effect for Wisconsin. In situations where an exempt organization has an option under the Internal Revenue Code and the IRS doesn't consider that option to be a method of accounting, a different election may be made for Wisconsin than that made for federal purposes. If federal law specifies the manner or time period in which an election must be made, those requirements also apply for Wisconsin purposes.

If a different election is made, an adjustment(s) is required on the Wisconsin return to account for the difference. Exempt organizations taxable as trusts enter such adjustments on Schedule V and/or Schedule W. Exempt organizations taxable as corporations should account for such differences on Form 4T, line 1.

**When to File**

Generally, an exempt organization must file Form 4T by the 15th day of the 5th month following the close of its taxable year. However, an employees' trust defined in IRC section 401(a), an IRA, and an MSA must file Form 4T by the 15th day of the 4th month following the close of the taxable year. If a return is filed late, without an extension, the exempt organization may be subject to penalties and interest.

**Caution:** The due date for paying franchise or income tax and the temporary recycling surcharge is explained below.

**Extension of Time to File**

If you are requesting an extension of time to file your federal income tax return, the following treatment applies:

- For exempt organizations taxable as corporations, any extension allowed by the Internal Revenue Service for filing the federal return automatically extends the Wisconsin due date to 30 days after the federal extended due date. *You don't need to submit either a copy of the federal extension or an application for a Wisconsin extension to the department by the original due date of your return.* However, you must attach a copy of the federal extension to the Wisconsin return that you file.
- For exempt organizations taxable as trusts, any extension allowed by the Internal Revenue Service for filing the federal return automatically extends the Wisconsin due date to the federal due date. You must attach a copy of the federal extension to the Wisconsin return that you file.

If you aren't requesting a federal extension, but you need additional time for Wisconsin, you may obtain a Wisconsin extension as follows:

- Exempt organizations taxable as corporations may request a 30-day extension by submitting Wisconsin Form IC-830, Application for Extension of Time to File, to the department on or before the original due date of the return.
- Exempt organizations taxable as trusts may obtain an extension allowable under federal law by (1) estimating their 1998 Wisconsin tax and paying the amount they will owe by the unextended due date of their return, and (2) attaching to Form 4T a completed copy of the appropriate federal extension application form or a statement explaining which federal extension provision is being used.

### Where to File

Mail Form 4T to the Wisconsin Department of Revenue, P.O. Box 8908, Madison, WI 53708-8908. **Exception:** Send amended returns to P.O. Box 8991, Madison, WI 53708-8991.

### When to Pay Franchise or Income Tax and Temporary Recycling Surcharge

The franchise or income tax and temporary recycling surcharge must be paid by the 15th day of the 5th month (15th day of the 4th month for employes' trusts, IRAs, and MSAs) following the close of the taxable period, regardless of the due date of the return. Exempt organizations may be required to make quarterly estimated payments to prepay their franchise or income tax and temporary recycling surcharge.

An extension for filing the return doesn't extend the time to pay the franchise or income tax and temporary recycling surcharge. Interest will be charged on the tax and surcharge not paid by the original due date. You can avoid interest charges during the extension period by paying the tax and surcharge due by the original due date. Submit your payment with Wisconsin Form 4-ES, Corporation Estimated Tax Voucher.

During the extension period, 12% annual interest generally applies to the unpaid tax and surcharge. However, if the sum of the net tax and surcharge shown on the return is \$500 or more, 12% annual interest applies only to 10% of the net tax and surcharge. Interest of 18% per year applies to the remainder of the unpaid tax and surcharge. See Form 4U, Part II.

### Payment of Estimated Franchise or Income Tax and Temporary Recycling Surcharge

Exempt organizations whose franchise or income tax due (including the temporary recycling surcharge for taxable years ending before April 1, 1999) is \$500 or more, generally must make quarterly estimated tax payments using Wisconsin Form 4-ES. Failure to make required estimated tax payments may result in an interest charge.

An exempt organization that overpaid its estimated tax may apply for a refund *before* filing its tax return if its overpayment is (1) at least 10% of the expected Wisconsin tax liability and (2) at least \$500. To apply, file Wisconsin Form 4466W, Corporation Application for Quick Refund of Overpayment of Estimated Tax, after the end of the taxable year and before the exempt organization files its tax return. **Do not** file Form 4466W at the same time as your tax return.

An exempt organization that has a tax due when filing its tax return as a result of receiving a "quick refund" will be charged 12% annual interest on the amount of unpaid tax from the date the refund is issued to the earlier of the 15th day of the 5th month (15th day of the 4th month for employes' trusts, IRAs, and MSAs) following the close of the taxable year or the date the tax liability is paid. Any tax that remains unpaid after the unextended due date of the tax return continues to be subject to 18% or 12% annual interest, as appropriate.

### Information Returns That May Be Required

**Form 9b** Report of rents, royalties, and miscellaneous compensation paid to individuals. (Note: You may use federal Forms 1099 instead of Forms 9b. Mail Forms 9b or 1099 to the Wisconsin Department of Revenue, P.O. Box 8908, Madison, WI 53708-8908.)

If you must file federal information returns on magnetic media and you file at least 250 Forms 9b with Wisconsin, you generally must file Forms 9b on magnetic media. For more information, call (608) 267-3327 or write to the Bureau of Information Systems, Wisconsin Department of Revenue, P.O. Box 8903, Madison, WI 53708-8903.

### Internal Revenue Service Adjustments

If an exempt organization's federal tax return is adjusted by the Internal Revenue Service and such adjustments affect the Wisconsin net tax payable, the amount of a Wisconsin credit, a Wisconsin net operating loss carryforward, or a Wisconsin capital loss carryforward, you must report such adjustments to the Department of Revenue within 90 days after they become final.

Send a copy of the final federal audit reports and any associated amended returns to the Wisconsin Department of Revenue, P.O. Box 8991, Madison, WI 53708-8991. If submitting a federal audit report without an amended return, mail it to the Audit Bureau, Wisconsin Department of Revenue, P.O. Box 8906, Madison, WI 53708-8906. Don't attach these items to the tax return for the current year.

### Amended Returns

File an amended return to correct a tax return as you originally filed it or as it was later adjusted by an amended return, a claim for refund, or an office or field audit. If you file an amended federal return and the changes affect the Wisconsin net tax payable, the amount of a Wisconsin credit, a Wisconsin net operating loss carryforward, or a Wisconsin capital loss carryforward, you must file an amended Wisconsin return with the Department of Revenue within 90 days after filing the amended federal return.

To file an amended Wisconsin return, an exempt organization should use Form 4T, check the "amended return" box on the front of the return and print "AMENDED RETURN" at the top of the form. Attach to the amended return an explanation of the changes made and the reasons for the changes. Show computations in detail. If the change involves an item of income, deduction, or credit that you were required to support with a form or schedule on your original return, attach the corrected form or

schedule. Also attach a worksheet showing how you figured your additional refund or additional amount owed.

You may file an amended return only after you have filed a complete original return. A claim for refund must be filed within 4 years of the unextended due date of the return. However, a claim for refund to recover all or part of any tax or credit paid as a result of an office or field audit must be filed within two years after such an assessment. That assessment must have been paid and must not have been protested by filing a petition for redetermination.

Send amended returns to the Wisconsin Department of Revenue, P.O. Box 8991, Madison, WI 53708-8991. Don't attach amended returns to the tax return for the current year.

### Wisconsin State, County, and Stadium Use Tax

Exempt organizations that don't hold a Wisconsin Certificate of Exempt Status (CES#) and purchase taxable tangible personal property or taxable services for storage, use, or consumption in (1) Wisconsin, (2) a county that has adopted the 0.5% county tax, or (3) a county that is within the stadium district (Milwaukee, Ozaukee, Racine, Washington, and Waukesha counties) that has adopted the 0.1% stadium tax without payment of a state, county, and stadium sales or use tax may owe Wisconsin state, county, and stadium use tax and be required to file a Wisconsin sales and use tax return. For more information or forms, call (608) 266-2776 or write to the Compliance Bureau, Wisconsin Department of Revenue, P.O. Box 8902, Madison, WI 53708-8902.

### Penalties for Not Filing or Filing Incorrect Returns

If you don't file a Form 4T that you are required to file, or if you file an incorrect Form 4T due to negligence or fraud, interest and penalties may be assessed against you. The interest rate on delinquent taxes is 18% per year. Civil penalties may be as much as 100% of the amount of tax not reported on the return. Criminal penalties for filing a false return include a fine of up to \$10,000 and imprisonment.

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## Line-by-Line Instructions

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*You must complete page 1 of Form 4T and make appropriate entries in the schedules on page 2.* (The numbering corresponds with the line numbers on Form 4T, page 1, unless otherwise indicated.)

**Caution:** The Internal Revenue Service hasn't finalized the 1998 federal Form 990-T at the time of this printing. Therefore, federal line numbers referred to on Form 4T and in these instructions may change.

### Rounding Off to Whole Dollars

Cents may be rounded to the nearest whole dollar by eliminating amounts less than 50 cents and increasing amounts from 50 cents through 99 cents to the next higher dollar.

■ **Period Covered** — File the 1998 return for calendar year 1998 and fiscal years that begin in 1998. For a fiscal year, a 52-53 week period, or a short-period return, fill in the taxable year beginning and ending dates in the taxable year space at the top of the form.

■ **Name and Address** — If you received a mailing label with the exempt organization's name and address, place it in this area. Make any necessary corrections on the label.

If you didn't receive a label, print or type the exempt organization's name and address. Indicate a change in the organization's name or address from that shown on last year's Wisconsin return filed by checking the appropriate box.

■ **A. Federal Employer Identification Number** — Enter the exempt organization's federal employer identification number (EIN). If you haven't yet applied for a federal EIN, you may do so by filing federal Form SS-4 with the Internal Revenue Service. (Exempt organizations reporting federally to the Kansas City Service Center may obtain an EIN by calling (816) 926-5999.)

■ **B. Seller's Permit or Use Tax Number** — Enter the exempt organization's Wisconsin seller's permit, use tax, or consumer's use tax number, if applicable.

■ **C. Wisconsin Employer Identification Number** — Enter the exempt organization's Wisconsin employer identification (withholding) number.

■ **D. Wisconsin Business Activity Code** — Enter the exempt organization's Wisconsin business activity code from the table on the back of the front cover of this booklet. Don't enter the federal unrelated business activity code.

■ **E. Type of Organization** — Check the box that indicates how the organization will be taxed. Failure to check the proper box may result in the incorrect processing of your return.

■ **F. Name of Trustee** — Enter the name of the trustee if the organization is taxable as a trust.

■ **G. State and Year of Incorporation** — Enter the state under whose laws the exempt organization is organized and the year of incorporation (or creation).

■ **H. First Return, Final Return, Short Period - Change in Accounting Period, and Short Period - Stock Purchase or Sale** — If this is the first year that an exempt organization is filing a Wisconsin return because it wasn't in existence or didn't do business in Wisconsin in prior years, check the "First return" box. If the exempt organization ceased to exist or withdrew from Wisconsin during the year, check the "Final return" box. Indicate that a short period return is being filed due to a change in the exempt organization's accounting period or a stock purchase or sale by checking the appropriate box.

■ **I. Amended Return** — If this is an amended return, check the box. Circle the number in front of the line(s) that you are changing and attach a detailed explanation of the changes made, including any supporting form or schedule.

**IMPORTANT** — The Wisconsin unrelated business franchise and income tax law is federalized; that is, based on the federal Internal Revenue Code. Although federal unrelated business taxable income is indicated as the starting point on the Wisconsin return, Wisconsin unrelated business taxable income must be determined by using the Internal Revenue Code as amended to December 31, 1997 with certain exceptions.

Federal law changes enacted after December 31, 1997, generally won't apply for Wisconsin purposes unless subsequently adopted by the Wisconsin Legislature, except for depreciation and amortization as noted below.

For property placed in service in 1998, you may compute depreciation or amortization under the same method as for federal purposes. Otherwise, compute depreciation under the Internal Revenue Code as amended to December 31, 1997.

Note: An asset placed in service prior to January 1, 1998, must continue to be depreciated or amortized under the method allowable for Wisconsin purposes for the year in which it was placed in service.

Adjustments may be necessary to account for differences between amounts reportable for federal and Wisconsin purposes. Exempt organizations taxable as trusts must show these adjustments on Schedule V and/or Schedule W. Exempt organizations taxable as corporations should see the instructions for line 1 below.

**CAUTION:** Exempt organizations taxable as trusts must skip lines 1 through 10 and begin on line 11.

■ **Line 1. Federal Unrelated Business Taxable Income** — Exempt organizations taxable as corporations enter the amount from federal Form 990-T, line 34. This is federal unrelated business taxable income after the net operating loss deduction and special deductions. Addition and subtraction modifications generally aren't made for exempt organizations taxable as corporations.

**Note:** Show losses by putting the amount in parentheses.

**Caution:** If any changes to the Internal Revenue Code enacted after December 31, 1997, affect the computation of federal unrelated business taxable income but don't apply for Wisconsin purposes, recompute the amount on Form 990-T, line 34. Enter the recomputed unrelated business taxable income on Form 4T, line 1. Attach a schedule to Form 4T showing your computation.

■ **Lines 2 through 7. Apportionment Data** — If using the apportionment method, complete Wisconsin Form 4B and enter the amounts requested. See the instructions for Form 4B (page 10). If using the separate accounting method, don't complete lines 2 through 6. Instead, see the instructions for Separate Accounting Data (page 13) and enter the Wisconsin unrelated business taxable income on line 7.

**Note:** Exempt organizations whose federal unrelated business taxable income, reported on line 1 of Form 4T, is attributable to business engaged solely in Wisconsin, do not need to complete lines 2 through 6. Instead, enter the amount reported on line 1, on line 7.

■ **Line 8. Gross Tax** — Enter 7.9% of the Wisconsin unrelated business taxable income reported on line 7.

■ **Line 9. Nonrefundable Credits** — Complete Schedule X, page 2, and enter the total available credit on Form 4T, line 9.

For purposes of determining the carryover (if any) of each credit, they must be applied against the gross tax in the following order:

1. Manufacturer's sales tax credit
2. Research expense credit
3. Development zones research credit
4. Research facilities credit
5. Community development finance credit
6. Development zones jobs credit
7. Development zones sales tax credit
8. Development zones investment credit
9. Development zones location credit
10. Development zones day care credit
11. Development zones environmental remediation credit
12. Development zones credit
13. Supplement to federal historic rehabilitation tax credit

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## Schedule X

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**Line 1. Manufacturer's Sales Tax Credit** — Enter the available manufacturer's sales tax credit.

Exempt corporations that are engaged in manufacturing in Wisconsin as an unrelated trade or business activity may claim a credit for Wisconsin state, county, and stadium sales and use tax paid on fuel and electricity consumed in manufacturing tangible personal property.

In addition, an exempt corporation that owns an interest in a pass-through entity, such as a partnership which is engaged in manufacturing in Wisconsin, may claim its share of the entity's manufacturer's sales tax credit computed for the entity's taxable years beginning on or after January 1, 1998. The pass-through credit may be offset only against the tax imposed on the exempt corporation's share of the entity's net income.

Manufacturing has the meaning designated in sec. 77.54(6m), Wis. Stats., which states in part that " 'manufacturing' is the

**Line-by-Line Instructions (continued)**

production by machinery of a new article with a different form, use and name from existing materials by a process popularly regarded as manufacturing.” The Wisconsin state (and county and stadium, if applicable) sales or use tax must have been paid on fuel and electricity purchased for consumption in manufacturing in Wisconsin in the unrelated trade or business activity.

The credit is a nonrefundable credit, but to the extent not offset by the tax liability for the current year, may be offset against the tax liability of the subsequent year and each succeeding year for up to 15 years.

For information on how to compute the credit, obtain the 1998 Wisconsin Form 4 and instructions. Figure the credit as explained in the instructions for Form 4, Schedule Z. However, the amounts that may be used to compute the credit must be from an unrelated trade or business activity. Attach to Form 4T a schedule similar to Form 4, Schedule Z (and Schedule Z-1, if applicable), showing how you computed the credit.

*Line 2.* Research Expense Credit — Complete Wisconsin Schedule R, Wisconsin Research Credits, and enter the credit from Schedule R, line 30.

Exempt corporations that increase qualified research expenses in Wisconsin as part of an unrelated trade or business activity may claim a credit.

*Line 3.* Research Facilities Credit — Complete Schedule R, Wisconsin Research Credits, and enter the credit from Schedule R, line 34.

Exempt corporations that incur expenses to construct and equip new research facilities in Wisconsin or to expand existing facilities in Wisconsin as part of an unrelated trade or business activity may claim a credit.

*Line 4.* Community Development Finance Credit — Enter the available community development finance credit.

Exempt corporations that make contributions to the Wisconsin Housing and Economic Development Authority and, in the same year, purchase common stock in the Wisconsin Community Development Finance Company as part of an unrelated trade or business activity may claim a credit.

The credit is nonrefundable and is equal to 75% of the purchase price of the stock, but may not exceed 75% of the amount that was contributed to the Wisconsin Community Development Finance Authority. Any unused credit may be offset against tax liabilities of subsequent years for up to 15 years.

*Line 5.* Development Zones Jobs Credit — Enter the development zones jobs credit carryover from Schedule DC, line 51.

*Line 6.* Development Zones Sales Tax Credit — Enter the development zones sales tax credit carryover from Schedule DC, line 54.

*Line 7.* Development Zones Investment Credit — Enter the development zones investment credit carryover from Schedule DC, line 57.

*Line 8.* Development Zones Research Credit — Enter the development zones research credit carryover from Schedule DC, line 41.

*Line 9.* Development Zones Location Credit — Enter the development zones location credit carryover from Schedule DC, line 60.

*Line 10.* Development Zones Day Care Credit — Enter the development zones day care credit carryover from Schedule DC, line 63.

*Line 11.* Development Zones Environmental Remediation Credit — Enter the development zones environmental remediation credit carryover from Schedule DC, line 66.

*Line 12.* Development Zones Credit — Enter the development zones credit from Schedule DC, line 5.

A special tax credit, based on expenditures for environmental remediation and job creation or retention, may be available for exempt corporations doing business in Wisconsin development, development opportunity, or enterprise development zones. The Wisconsin Department of Commerce administers the Wisconsin development zones programs. For more information about the programs, write to the Division of Community Development, Wisconsin Department of Commerce, P.O. Box 7970, Madison, WI 53707-7970 or call (608) 266-3751.

**Note:** Each of these credits (items 1 through 12) must be included as income in the year computed. This is true whether the entire amount of the credits can be claimed during the taxable year or is carried forward to subsequent years.

For example, Exempt Entity A computes a manufacturer’s sales tax credit in March 1999, while preparing its calendar year 1998 Form 4T. Part of the credit computed will be claimed on its 1998 Form 4T and used to reduce its tax liability to zero, while the remaining amount will be carried forward to subsequent years. Exempt Entity A must report as income on its 1998 Form 4T, the entire credit computed in March 1999, even though part of the credit is being carried forward to subsequent years.

*Line 13.* Supplement to Federal Historic Rehabilitation Tax Credit — Complete Wisconsin Schedule HR, Wisconsin Historic Rehabilitation Credits, and enter the credit from Schedule HR, line 7.

Exempt organizations that rehabilitate certified historic structures located in Wisconsin and used for unrelated trade or business purposes may claim a credit.

The State Historical Society of Wisconsin administers the historic preservation program. For more information about this program, write to the Division of Historic Preservation, State



Historical Society of Wisconsin, 816 State Street, Madison, WI 53706-1488 or call (608) 264-6500.

*Line 14.* Add lines 1 through 13. This is the total available non-refundable credits.

■ **Line 10. Net Tax** — Subtract line 9 from line 8. If line 9 is more than line 8, enter zero.

**CAUTION:** Exempt organizations taxable as corporations must skip lines 11 through 18 and go on to line 19.

■ **Line 11. Federal Unrelated Business Taxable Income** — Exempt organizations taxable as trusts enter the amount from federal Form 990-T, line 34. This is federal unrelated business taxable income after the net operating loss deduction and special deductions.

**Note:** Show losses by putting the amount in parentheses.

**Caution:** If any changes to the Internal Revenue Code enacted after December 31, 1997, affect the computation of federal unrelated business taxable income but don't apply for Wisconsin purposes, make adjustments on Schedule V and/or Schedule W, as appropriate, to account for the differences.

■ **Line 12. Additions** — Federal unrelated business taxable income on Form 4T, line 11, may include items that aren't deductible for Wisconsin tax purposes, or it may not include items that are taxable for Wisconsin tax purposes. Complete Schedule V, page 2, and enter the total.

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## Schedule V

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*Line 1.* Enter interest income, less related expenses, received on state and municipal obligations that was excluded from federal unrelated business taxable income, except interest which is by law exempt from Wisconsin taxation (such as interest from obligations of the government of Puerto Rico). Enter only the state or municipal interest that is considered unrelated business taxable income.

*Line 2.* Enter the amount of taxes deducted from federal unrelated business taxable income under IRC section 164.

*Line 3.* If federal unrelated business taxable income includes capital gains and/or losses, complete Wisconsin Schedule WD (Form 2) to determine if an adjustment is necessary to arrive at Wisconsin unrelated business taxable income.

For example, an adjustment may be required because Wisconsin law limits deductions for net capital losses to \$500. You may obtain Wisconsin Schedule WD (Form 2) from any Department of Revenue office.

*Line 4.* Enter the amount of any federal net operating loss carryover.

*Line 5.* Enter any transitional adjustments required by sec. 71.05(13), Wis. Stats., to account for differences between the federal and Wisconsin bases of changing basis assets (those subject to depreciation or amortization). Attach a schedule showing the computation of each transitional adjustment made.

*Line 6.* Enter the development zones credit computed (from 1998 Schedule DC, line 5) to the extent that the amount isn't included in federal unrelated business taxable income.

*Line 7.* Enter the farmland preservation credit and farmland tax relief credit received during the taxable year that aren't included in federal unrelated business taxable income.

*Line 8.* Enter the sum of the trust's manufacturer's sales tax credit computed (from Schedule Z of Form 4) plus the credits passed through from other entities.

*Line 9.* Enter any other amount subject to Wisconsin taxation, less any amount allocable to it, which has been excluded or deducted in the computation of federal unrelated business taxable income.

■ **Line 14. Subtractions** — Federal unrelated business taxable income on Form 4T, line 11, may not include items that are deductible for Wisconsin tax purposes, or it may include items that aren't taxable for Wisconsin tax purposes. Complete Schedule W, page 2, and enter the total.

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## Schedule W

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*Line 1.* Enter interest and dividend income, less related expenses, received on obligations and certain securities of the United States government that was included in federal unrelated business taxable income and is exempt from state income taxation.

*Line 2.* If federal unrelated business taxable income includes capital gains and/or losses, complete Wisconsin Schedule WD (Form 2) to determine if an adjustment is necessary to arrive at Wisconsin unrelated business taxable income.

For example, an adjustment may be required because Wisconsin law allows an exclusion of 60% of the net capital gain from assets held more than one year. You may obtain Schedule WD (Form 2) from any Department of Revenue office.

*Line 3.* Enter the amount of any Wisconsin net operating loss carryforward. The Wisconsin net operating loss is the federal net operating loss plus or minus modifications required for Wisconsin tax purposes. Net operating losses from years before the exempt organization became subject to Wisconsin income taxation can't be included on line 3.

*Line 4.* Enter any transitional adjustment required by sec. 71.05(13), Wis. Stats., to account for differences between the federal and Wisconsin bases of changing basis assets (those

subject to depreciation or amortization). Attach a schedule showing the computation of each transitional adjustment.

*Line 5.* Enter any amount not subject to Wisconsin taxation that was included in federal unrelated business taxable income or any deduction allowed for Wisconsin that wasn't deducted federally (such as development zones investment credit recaptured).

■ **Line 16. Gross Tax** — Figure the tax on the Wisconsin unrelated business taxable income on line 15 using the tax table that appears on pages 14 and 15.

■ **Line 17. Nonrefundable Credits** — Complete Schedule X, page 2, and enter the total available credit on Form 4T, line 17.

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## Schedule X

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**Caution:** *Don't enter amounts on Schedule X, lines 2 through 4. These credits are available only to exempt organizations taxable as corporations.*

For purposes of determining the carryover (if any) of each credit, they must be applied against the gross tax in the following order:

1. Supplement to federal historic rehabilitation tax credit
2. Manufacturer's sales tax credit
3. Development zones jobs credit
4. Development zones sales tax credit
5. Development zones investment credit
6. Development zones research credit
7. Development zones location credit
8. Development zones day care credit
9. Development zones environmental remediation credit
10. Development zones credit

*Line 1.* Manufacturer's Sales Tax Credit — Enter the available manufacturer's sales tax credit.

Exempt organizations taxable as trusts that are engaged in manufacturing in Wisconsin as an unrelated trade or business activity may claim a credit for Wisconsin state, county, and stadium sales and use tax paid on fuel and electricity consumed in manufacturing tangible personal property.

In addition, an exempt organization taxable as a trust that owns an interest in a pass-through entity, such as a partnership which is engaged in manufacturing in Wisconsin, may claim its share of the entity's manufacturer's sales tax credit computed for the entity's taxable years beginning on or after January 1, 1998. The pass-through credit may be offset only against the tax imposed on the exempt organization's share of the entity's net income.

Manufacturing has the meaning designated in sec. 77.54(6m), Wis. Stats., which states in part that " 'manufacturing' is the production by machinery of a new article with a different form, use and name from existing materials by a process popularly

regarded as manufacturing." The Wisconsin state (and county and stadium, if applicable) sales or use tax must have been paid on fuel and electricity purchased for consumption in manufacturing in Wisconsin in the unrelated trade or business activity.

The credit is a nonrefundable credit, but to the extent not offset by the tax liability for the current year, may be offset against the tax liability of the subsequent year and each succeeding year for up to 15 years.

For information on how to compute the credit, obtain the 1998 Wisconsin Form 4 and instructions. Figure the credit as explained in the instructions for Form 4, Schedule Z. However, the amounts that may be used to compute the credit must be from an unrelated trade or business activity. Attach to Form 4T a schedule similar to Form 4, Schedule Z (and Schedule Z-1, if applicable), showing how you computed the credit.

*Line 5.* Development Zones Jobs Credit — Enter the development zones jobs credit carryover from Schedule DC, line 15.

*Line 6.* Development Zones Sales Tax Credit — Enter the development zones sales tax credit carryover from Schedule DC, line 18.

*Line 7.* Development Zones Investment Credit — Enter the development zones investment credit carryover from Schedule DC, line 21.

*Line 8.* Development Zones Research Credit — Enter the development zones research credit carryover from Schedule DC, line 27.

*Line 9.* Development Zones Location Credit — Enter the development zones location credit carryover from Schedule DC, line 31.

*Line 10.* Development Zones Day Care Credit — Enter the development zones day care credit carryover from Schedule DC, line 34.

*Line 11.* Development Zones Environmental Remediation Credit — Enter the development zones environmental remediation credit carryover from Schedule DC, line 37.

*Line 12.* Development Zones Credit — Enter the development zones credit from Schedule DC, line 5.

A special tax credit, based on expenditures for environmental remediation and job creation or retention, may be available for exempt organizations taxable as trusts doing business in Wisconsin development, development opportunity, or enterprise development zones. The Wisconsin Department of Commerce administers the Wisconsin development zones programs. For more information about the programs, write to the Division of Community Development, Wisconsin Department of Commerce, P.O. Box 7970, Madison, WI 53707-7970 or call (608) 266-3751.

**Note:** Each of the above credits must be included as income in the year computed. This is true whether the entire amount of the credits can be claimed during the taxable year or is carried forward to subsequent years.

For example, Trust A computes a development zones credit in March 1999, while preparing its calendar year 1998 Form 4T. Part of the credit computed will be claimed on its 1998 Form 4T, while the remaining amount will be carried forward to subsequent years. Trust A must report as income on its 1998 Form 4T, the entire credit computed in March 1999, even though part of the credit is being carried forward to subsequent years.

**Line 13. Supplement to Federal Historic Rehabilitation Tax Credit** — Complete Wisconsin Schedule HR, Wisconsin Historic Rehabilitation Credits, and enter the credit from Schedule HR, line 7.

Exempt trusts that rehabilitate certified historic structures located in Wisconsin and used for unrelated trade or business purposes may claim a credit.

The State Historical Society of Wisconsin administers the historic preservation program. For more information about this program, write to the Division of Historic Preservation, State Historical Society of Wisconsin, 816 State Street, Madison, WI 53706-1488 or call (608) 264-6500.

**Line 14.** Add lines 1 and 5 through 13. This is the total available nonrefundable credits.

■ **Line 18. Net Tax** — Subtract line 17 from line 16. If line 17 is more than line 16, enter zero.

■ **Line 19.** Enter the amount from line 10 or line 18, as appropriate.

■ **Line 20. Temporary Recycling Surcharge** — Figure the surcharge as explained below.

**Caution:** The temporary recycling surcharge is scheduled to expire for taxable years ending on or after April 1, 1999.

**Exempt organizations taxable as corporations:** Enter the greater of \$25 or 2.75% (.0275) of the gross tax on line 8, but not more than \$9,800.

**Note:** The temporary recycling surcharge does not apply to exempt organizations taxable as corporations that have less than \$4,000 of total receipts from all unrelated trade or business activities for federal income tax purposes (as defined on page 1).

**Exempt organizations taxable as trusts:**

- If not engaged in farming, but with gross receipts from all unrelated trade or business activities for federal income tax purposes of at least \$4,000, enter the greater of \$25 or

0.2173% (.002173) of the Wisconsin unrelated business taxable income on line 15, but not more than \$9,800.

- If engaged solely in farming with a net farm profit of at least \$1,000 for federal income tax purposes, enter \$25.
- If engaged in both farming and other unrelated trade or business activities and gross receipts from all unrelated trade or business activities for federal income tax purposes are at least \$4,000 or net farm profit for federal income tax purpose is at least \$1,000, enter the **sum** of (1) the greater of \$25 or 0.2173% (.002173) of the Wisconsin nonfarm unrelated business taxable income on line 15, but not more than \$9,800, and (2) \$25, if the net farm profit for federal income tax purposes is at least \$1,000.

■ **Line 22. Estimated Tax Payments** — Enter estimated tax payments made or overpayments applied from a prior year's return. Subtract any "quick refund" applied for on Form 4466W.

**Amended Return:** If this is an amended return, enter the tax and temporary recycling surcharge previously paid.

■ **Line 23. Refundable Credits** — Complete Schedule Y, page 2, and enter the total available credit.

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## Schedule Y

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**Note:** *Exempt organizations taxable as corporations don't enter an amount on Schedule Y, line 3. This credit is available only to exempt organizations taxable as trusts.*

**Line 1.** Farmland Preservation Credit — Complete Wisconsin Schedule FC, Wisconsin Farmland Preservation Credit Claim, and enter the credit from Schedule FC, line 16.

Exempt corporations organized under the laws of Wisconsin and Wisconsin resident trusts that own and operate Wisconsin farmland subject to agricultural use restrictions in the form of a zoning ordinance or a farmland preservation agreement, as provided in Chapter 91, Wis. Stats., may claim a credit.

**Line 2.** Farmland Tax Relief Credit — Complete Wisconsin Schedule FT, Wisconsin Farmland Tax Relief Credit, and enter the credit from Schedule FT, line 6.

Exempt corporations organized under the laws of Wisconsin and Wisconsin resident trusts that own farmland located in Wisconsin may claim a credit.

**Note:** The farmland credits must be included in income in the year of receipt.

**Line 3.** Net Income Tax Paid to Other States — Wisconsin resident trusts may claim a credit for income tax paid to another state or the District of Columbia, subject to the following requirements.

- a. The income taxed by the other state must be included in Wisconsin unrelated business taxable income.

b. The credit claimed must be for the net amount of tax paid to the other state. (This may be more or less than the amount paid as estimated tax.)

c. The amount of credit may not exceed the amount of Wisconsin tax shown on line 18.

d. A copy of the other state's tax return must be submitted with Form 4T.

*Line 4.* Add lines 1 through 3. This is the total available refundable credits.

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■ **Line 25. Interest, Penalty, and Late Fee Due** — Enter any interest, penalty, and late fee due from Form 4U, line 17 or 26.

**Amended Return - Refund Claimed:** If you previously were assessed interest for underpayment of estimated taxes, complete an amended Form 4U, Part I, based on the total of the amounts shown on lines 19 and 20. Enter the difference between the underpayment interest from the amended Form 4U, line 17, and the amount you previously paid on line 25. Show an overpayment in parentheses. Attach Form 4U to your amended return. Otherwise, leave line 25 blank. The department will compute interest on the amount of refund approved.

**Amended Return - Additional Amount Owed:** Use the worksheet included in the Form 4 or 5 instructions to calculate the interest owed. Otherwise, the department will compute the interest on the tax owed.

■ **Line 26. Tax Due** — If the total of lines 21 and 25 is larger than line 24, enter the amount owed. Attach your check to the front of Form 4T.

■ **Line 27. Overpayment** — If line 24 is larger than the total of lines 21 and 25, enter the overpayment.

■ **Line 28. 1999 Estimated Tax** — Enter the amount of any overpayment on line 27 that is to be credited to the exempt organization's 1999 estimated tax. The balance of any overpayment will be refunded.

**Amended Return:** If you have already filed your 1999 return, enter the overpayment you claimed as a credit on your 1999 return from your previously filed original or amended 1998 return. Otherwise, you may allocate the overpayment from line 27 between line 28 and line 29 as you choose.

■ **Line 30. Total Gross Receipts** — Enter the "total receipts from all unrelated trade or business activities" as that phrase is defined on page 1 of these instructions.

■ **Additional Information Required** — Answer questions 1 through 6 on the back of Form 4T.

■ **Signatures** — An officer or trustee of the exempt organization must sign the form at the bottom of page 1. If the return is

prepared by someone other than an employee of the exempt organization, the individual who prepared the return must sign the form, by hand, in the space provided for the preparer's signature and furnish the preparing firm's federal employer identification number. A self-employed individual must enter "SSN" and his or her social security number in the space for the preparer's federal employer identification number.

■ **Attachments** — Attach a copy of each of the following documents:

- Your federal Form 990-T with all supporting schedules.
- Any other required Wisconsin forms, schedules, or statements. Include a list of your solely owned LLCs.
- Any extension of time to file your return.

**Amended Return:** If this is an amended return, attach an explanation of the changes made and the reasons for the changes. Also attach a worksheet showing how you figured your additional refund or additional amount owed. Send the amended return to the Wisconsin Department of Revenue, P.O. Box 8991, Madison, WI 53708-8991.

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## Form 4B — Apportionment Data

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### What Is Apportionment

Under the apportionment method, an exempt organization shows all income and deductions from unrelated trade or business activities for the organization as a whole and then assigns a part to Wisconsin according to a formula that determines Wisconsin unrelated business taxable income.

### Who Must Use Apportionment

An exempt organization engaged in unrelated trade or business activities in and outside Wisconsin is required to report a portion of its total organization unrelated business taxable income to Wisconsin using the apportionment method if its Wisconsin operations are a part of a unitary business, unless the department gives permission to use separate accounting. To use the apportionment method, an exempt organization must have unrelated trade or business activity sufficient to create nexus in Wisconsin and at least one other state or foreign country.

"Nexus" means that an exempt organization's unrelated trade or business activity is of such a degree that the state or foreign country has jurisdiction to impose an income tax or franchise tax measured by net income. Under Public Law 86-272, a state can't impose an income tax or franchise tax based on net income on an exempt organization selling tangible personal property if the exempt organization's only activity in the state is the solicitation of orders, which orders are approved outside the state and are filled by delivery from a point outside the state.

### What Is a Unitary Business

A unitary business is one that operates as a unit and can't be segregated into independently operating divisions or branches. The operations are integrated, and each division or branch is

dependent upon or contributory to the operation of the business as a whole. It isn't necessary that each division or branch operating in Wisconsin contribute to the activities of all divisions or branches outside Wisconsin.

### What Is Nonapportionable Unrelated Business Taxable Income

Nonapportionable unrelated business taxable income is that income which is allocable directly to a particular state. It includes income or loss derived from the sale of nonbusiness real or tangible personal property or from rentals and royalties from nonbusiness real or tangible personal property in regard to an unrelated trade or business activity. This income is assigned to the state where the property is located.

Total nonapportionable unrelated business taxable income (loss) is removed from total organization unrelated business taxable income before the apportionment percentage is applied. The Wisconsin nonapportionable unrelated business taxable income (loss) is then combined with the Wisconsin apportionable unrelated business taxable income to arrive at Wisconsin unrelated business taxable income.

### What Is the Apportionment Percentage

For unitary, multistate, exempt organizations, the apportionment percentage is determined by the weighted average of the following three ratios:

1. Wisconsin tangible property to total organization tangible property in regard to unrelated trade or business activities.
2. Wisconsin payroll to total organization payroll in regard to unrelated trade or business activities.
3. Wisconsin sales to total organization sales from unrelated trade or business activities. (This ratio is double-weighted.)

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## Line-by-Line Instructions for Form 4B

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**Note:** Enter amounts on Form 4B relating only to the exempt organization's unrelated trade or business activities. "Total company" refers to the unrelated trade or business activities of the entire exempt organization.

- **Line 1.** Enter all profits and losses from disposals of nonbusiness tangible property in the appropriate column or columns. Such profits and losses are nonapportionable and follow the situs of the property.
- **Line 2.** Enter rents and royalties received on nonbusiness tangible property in the appropriate column or columns. These are nonapportionable and follow the situs of the property.
- **Line 3.** Enter any expenses that are directly or indirectly related to rents and royalties reported on line 2. Since such income is nonapportionable, the related expenses are nonapportionable.

- **Line 5.** Enter the total net nonapportionable unrelated business taxable income or loss for both Wisconsin and the total company. Also, enter on Form 4T, line 2, the total company net nonapportionable unrelated business taxable income. Enter on Form 4T, line 6, the Wisconsin net nonapportionable unrelated business taxable income.

- **Lines 6 through 13.** Enter the undepreciated original cost of tangible property owned and used in producing apportionable unrelated business taxable income at the beginning and at the end of the taxable year. Group the property into the general categories listed for both Wisconsin and the total company.

Don't include construction in progress, idle property, property used in producing nonapportionable unrelated business taxable income or any other property not used in producing apportionable unrelated business taxable income. Since such property isn't used in the production of apportionable unrelated business taxable income, it isn't includable in the property factor.

**Note:** If any major acquisitions or dispositions occurred within the taxable year, the average monthly balances of property may be used (or required by the department) instead of the average of the beginning and ending balance. In this case, attach a separate schedule showing the calculation rather than completing lines 6 through 13.

- **Line 14.** Add lines 13a and 13b for Wisconsin property and for total company property, and divide each of these totals by 2. This is the average owned property for Wisconsin and the total company.

- **Line 15.** Multiply the net annual rental for property used in the production of apportionable unrelated business taxable income by 8 and enter the result. "Net annual rental" is the annual rental paid less any annual rental received from subrentals unless this results in a negative or clearly inaccurate valuation. Net annual rental doesn't include incidental day-to-day expenses such as hotel or motel accommodations, daily rentals of autos, or royalties based on extraction of natural resources.

If the taxable year covers a period of less than 12 months, the net rent paid for the short period must be annualized. However, if the rental term is for less than 12 months, the rent must be adjusted accordingly.

Leases are given the same treatment in computing the property factor as they are in computing unrelated business taxable income. Leases that have been capitalized in computing unrelated business taxable income are included as property owned and used for property factor purposes. All other lease payments are included in the rentals times 8 computation.

- **Line 16.** Enter the total Wisconsin and total company property. Divide the Wisconsin property by the total company property and enter the percentage.

- **Line 17.** Enter, for Wisconsin and the total company, the compensation paid to the company's own employees for the performance of personal services. The compensation must be re-

lated to the production of apportionable unrelated business taxable income. Compensation related to the operation, maintenance, protection, or supervision of property used in the production of both apportionable and nonapportionable unrelated business taxable income or losses must be prorated, and only the portion related to the production of apportionable unrelated business taxable income is included for Wisconsin and the total company. Compensation includes wages, salaries, commissions, and any other form of remuneration paid to employees.

Compensation is paid in Wisconsin (included in the numerator of the payroll factor) if —

- The individual's service is performed entirely in Wisconsin.
- The individual's service is performed in and outside Wisconsin, but the service performed outside Wisconsin is incidental to the individual's service in Wisconsin.
- A portion of the service is performed in Wisconsin and the base of operations of the individual is in Wisconsin.
- A portion of the service is performed in Wisconsin and, if there is no base of operations, the place from which the individual's service is directed or controlled is in Wisconsin.
- A portion of the service is performed in Wisconsin and neither the base of operations of the individual nor the place from which the service is directed or controlled is in any state in which some part of the service is performed, but the individual's residence is in Wisconsin.
- The individual is neither a resident of nor performs services in Wisconsin but is directed or controlled from an office in Wisconsin and returns to Wisconsin periodically for business purposes and the state in which the individual resides doesn't have jurisdiction to impose franchise or income taxes on the employer.

An individual is considered to be performing a service in Wisconsin during the year if that individual spends any portion of at least 5 days during the exempt organization's taxable year in Wisconsin performing services.

■ **Line 18.** Enter management or service fees paid to a related corporation for the performance of personal services. The fees must be related to the production of apportionable unrelated business taxable income. Payments made to independent contractors aren't includable.

■ **Line 19.** Enter the total Wisconsin and total company payroll. Divide the Wisconsin payroll by the total company payroll and enter the percentage.

■ **Lines 20 through 25.** For purposes of the sales factor, sales include, but aren't limited to, the following items related to the production of unrelated business taxable income:

- Gross receipts from the sale of inventory.
- Gross receipts from the operation of farms, mines, and quarries.

- Gross receipts from the sale of scrap or by-products.
- Gross commissions.
- Gross receipts from personal and other services.
- Gross rents from real property or tangible personal property.
- Interest on trade accounts and trade notes receivable.
- A partner's share of the partnership's gross receipts or a member's share of the limited liability company's gross receipts.
- Gross management fees.
- Gross royalties from income producing activities.
- Gross franchise fees from income producing activities.

"Gross receipts" means gross sales less returns and allowances, plus service charges, freight, carrying charges, or time-price differential charges incidental to the sales. Federal and state excise taxes, including sales and use taxes, are included as part of the receipts if the taxes are passed on to the buyer or included as part of the selling price of the product.

The following items are among those not included for sales factor purposes:

- Gross receipts and gain or loss from the sale of tangible business assets, except receipts from the sale of inventory, scrap, or by-products or from the operation of a farm, mine, or quarry.
- Gross receipts and gain or loss from the sale of nonbusiness real or tangible personal property.
- Gross rents and rental income or loss from real property or tangible personal property if that real property or tangible personal property isn't used in the production of unrelated business taxable income.
- Royalties from nonbusiness real property or nonbusiness tangible personal property.
- Proceeds and gain or loss from the redemption of securities.
- Interest, except interest on trade accounts and trade notes receivable, and dividends.
- Gross receipts and gain or loss from the sale of intangible assets, except inventory.
- Dividends deductible in determining unrelated business taxable income.
- Gross receipts and gain or loss from the sale of securities.
- Proceeds and gain or loss from the sale of receivables.
- Refunds, rebates, and recoveries of amounts previously expended or deducted.
- Foreign exchange gain or loss.
- Royalties and income from passive investments in patents, copyrights, trademarks, trade names, plans, specifications, blueprints, processes, techniques, formulas, designs, layouts, patterns, drawings, manuals, and technical know-how.
- Pari-mutuel wager winnings and purses.
- Other items not includable in apportionable unrelated business taxable income.

Enter on lines 20a and 20b the appropriate Wisconsin destination sales. Gross receipts from the sales of tangible personal property (except sales to the federal government) are Wisconsin sales if the property is delivered or shipped to a purchaser in

Wisconsin. Sales of tangible personal property picked up by the purchaser, or the purchaser's agent, at the seller's Wisconsin business location and immediately transported to the purchaser's out-of-state business location aren't Wisconsin sales. However, if the seller doesn't have nexus with the state in which the purchaser's business is located, the sales are "thrown back" to Wisconsin as discussed later. Wisconsin sales include sales of tangible personal property that are picked up by the purchaser, or the purchaser's agent, at the seller's out-of-state business location and immediately transported to the purchaser's Wisconsin business location.

Enter on line 21a sales of tangible personal property delivered to the federal government, including its agencies and instrumentalities, in Wisconsin if the property is shipped from an office, store, warehouse, factory, or other place of storage in Wisconsin. Sales to federal government locations in Wisconsin, which are shipped from an office, store, warehouse, factory, or other place of storage outside Wisconsin, aren't Wisconsin sales.

Enter on line 21b sales of tangible personal property delivered to the federal government, including its agencies and instrumentalities, outside Wisconsin if the property is shipped from an office, store, warehouse, factory, or other place of storage in Wisconsin and the seller doesn't have nexus in the destination state. These sales are included in the numerator of the sales factor at 50%.

Enter on line 21c sales, other than sales to the federal government, that are "thrown back" to Wisconsin. These are sales of tangible personal property shipped from an office, store, warehouse, factory, or other place of storage in Wisconsin to a state in which the seller doesn't have nexus. "Throwback" sales are included in the numerator of the sales factor at 50%.

"State" means any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

Enter on line 22 the "double throwback" sales. These are sales, other than sales to the federal government, of tangible personal property by an office in Wisconsin to a purchaser in another state, but not shipped or delivered from Wisconsin, if the taxpayer doesn't have nexus in (1) the state from which the property is delivered or shipped, or (2) the destination state. "Double throwback" sales are included in the numerator of the sales factor at 50%.

**Note:** For purposes of throwback sales and double throwback sales, "state" means any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States. A foreign country isn't a state.

Enter on line 23 the total sales for Wisconsin (sum of lines 20a through 22) and the total company.

Enter on line 24, for both Wisconsin and the total company, gross receipts of apportionable unrelated business taxable in-

come, other than sales of tangible personal property, that are includable in the sales factor.

Gross receipts are attributable to Wisconsin if the income producing activity that gives rise to the receipts is performed in Wisconsin. If the income producing activity is performed partly in and partly outside Wisconsin, assign receipts to Wisconsin based on the ratio of direct costs of performing the services in Wisconsin to the direct costs of performing the services in all states having jurisdiction to tax the business.

■ **Line 26.** Divide the Wisconsin amount on line 25 by the total company amount on line 25 and enter the sales percentage on line 26. Also multiply the percentage by 2, as indicated, and enter the double-weighted sales percentage.

■ **Line 28.** Divide the percentage on line 27 by 4 and enter the resulting percentage here and on Form 4T, line 4.

Don't divide the percentage on line 27 by 4 if a factor has been eliminated. A factor may be eliminated if it isn't employed to any appreciable extent in producing apportionable unrelated business taxable income. If a factor is omitted, the total must be divided by no more than the number of factors used. If either the property or payroll factor is omitted, divide by 3. If the sales factor is omitted, divide by 2. Don't omit a factor simply because it isn't employed in Wisconsin.

■ **Lines 29 through 33.** Businesses whose incomes are apportioned by special rules of the department must complete these lines. For more information, contact any Department of Revenue office.

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## Form 4C — Separate Accounting Data

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### Who Must Use

An exempt organization engaged in a nonunitary unrelated trade or business in and outside Wisconsin is required to determine the amount of unrelated business taxable income attributable to Wisconsin by separate accounting. A nonunitary business is one in which the operations in Wisconsin aren't dependent upon or contributory to the operations outside Wisconsin.

A unitary business may use separate accounting only with the approval of the department. An application for such approval must set forth, in detail, the reasons why separate accounting will more clearly reflect the exempt organization's Wisconsin unrelated business taxable income. It should be mailed to the Wisconsin Department of Revenue, P.O. Box 8906, Madison, WI 53708-8906 before the end of the taxable year for which the use of separate accounting is desired.

An exempt organization that uses separate accounting must complete a schedule similar to Form 4C showing the unrelated business taxable income attributable to Wisconsin. Form 4C may be obtained from any Department of Revenue office.

## 1998 Tax Table for Trusts

If Line 15 is at least	but less than	Gross tax is	If Line 15 is at least	but less than	Gross tax is	If Line 15 is at least	but less than	Gross tax is	If Line 15 is at least	but less than	Gross tax is	If Line 15 is at least	but less than	Gross tax is
			2,750	2,800	132	6,500	6,600	312	12,500	12,600	679	18,500	18,600	1,076
			2,800	2,850	135	6,600	6,700	317	12,600	12,700	686	18,600	18,700	1,083
			2,850	2,900	137	6,700	6,800	322	12,700	12,800	692	18,700	18,800	1,089
			2,900	2,950	140	6,800	6,900	327	12,800	12,900	699	18,800	18,900	1,096
0	10	0	2,950	3,000	142	6,900	7,000	332	12,900	13,000	705	18,900	19,000	1,103
10	50	1	3,000	3,050	144	7,000	7,100	336	13,000	13,100	711	19,000	19,100	1,110
50	100	4	3,050	3,100	147	7,100	7,200	341	13,100	13,200	718	19,100	19,200	1,116
100	150	6	3,100	3,150	149	7,200	7,300	346	13,200	13,300	724	19,200	19,300	1,123
150	200	8	3,150	3,200	151	7,300	7,400	351	13,300	13,400	730	19,300	19,400	1,130
200	250	11	3,200	3,250	154	7,400	7,500	355	13,400	13,500	737	19,400	19,500	1,137
250	300	13	3,250	3,300	156	7,500	7,600	361	13,500	13,600	743	19,500	19,600	1,144
300	350	16	3,300	3,350	159	7,600	7,700	367	13,600	13,700	750	19,600	19,700	1,150
350	400	18	3,350	3,400	161	7,700	7,800	374	13,700	13,800	756	19,700	19,800	1,157
400	450	20	3,400	3,450	163	7,800	7,900	380	13,800	13,900	762	19,800	19,900	1,164
450	500	23	3,450	3,500	166	7,900	8,000	386	13,900	14,000	769	19,900	20,000	1,171
500	550	25	3,500	3,550	168	8,000	8,100	393	14,000	14,100	775	20,000	20,100	1,177
550	600	27	3,550	3,600	171	8,100	8,200	399	14,100	14,200	781	20,100	20,200	1,184
600	650	30	3,600	3,650	173	8,200	8,300	406	14,200	14,300	788	20,200	20,300	1,191
650	700	32	3,650	3,700	175	8,300	8,400	412	14,300	14,400	794	20,300	20,400	1,198
700	750	35	3,700	3,750	178	8,400	8,500	418	14,400	14,500	800	20,400	20,500	1,204
750	800	37	3,750	3,800	180	8,500	8,600	425	14,500	14,600	807	20,500	20,600	1,211
800	850	39	3,800	3,850	182	8,600	8,700	431	14,600	14,700	813	20,600	20,700	1,218
850	900	42	3,850	3,900	185	8,700	8,800	437	14,700	14,800	820	20,700	20,800	1,225
900	950	44	3,900	3,950	187	8,800	8,900	444	14,800	14,900	826	20,800	20,900	1,232
950	1,000	47	3,950	4,000	190	8,900	9,000	450	14,900	15,000	832	20,900	21,000	1,238
1,000	1,050	49	4,000	4,050	192	9,000	9,100	456	15,000	15,100	839	21,000	21,100	1,245
1,050	1,100	51	4,050	4,100	194	9,100	9,200	463	15,100	15,200	846	21,100	21,200	1,252
1,100	1,150	54	4,100	4,150	197	9,200	9,300	469	15,200	15,300	852	21,200	21,300	1,259
1,150	1,200	56	4,150	4,200	199	9,300	9,400	476	15,300	15,400	859	21,300	21,400	1,265
1,200	1,250	58	4,200	4,250	202	9,400	9,500	482	15,400	15,500	866	21,400	21,500	1,272
1,250	1,300	61	4,250	4,300	204	9,500	9,600	488	15,500	15,600	873	21,500	21,600	1,279
1,300	1,350	63	4,300	4,350	206	9,600	9,700	495	15,600	15,700	880	21,600	21,700	1,286
1,350	1,400	66	4,350	4,400	209	9,700	9,800	501	15,700	15,800	886	21,700	21,800	1,292
1,400	1,450	68	4,400	4,450	211	9,800	9,900	507	15,800	15,900	893	21,800	21,900	1,299
1,450	1,500	70	4,450	4,500	213	9,900	10,000	514	15,900	16,000	900	21,900	22,000	1,306
1,500	1,550	73	4,500	4,550	216	10,000	10,100	520	16,000	16,100	907	22,000	22,100	1,313
1,550	1,600	75	4,550	4,600	218	10,100	10,200	527	16,100	16,200	913	22,100	22,200	1,320
1,600	1,650	78	4,600	4,650	221	10,200	10,300	533	16,200	16,300	920	22,200	22,300	1,326
1,650	1,700	80	4,650	4,700	223	10,300	10,400	539	16,300	16,400	927	22,300	22,400	1,333
1,700	1,750	82	4,700	4,750	225	10,400	10,500	546	16,400	16,500	934	22,400	22,500	1,340
1,750	1,800	85	4,750	4,800	228	10,500	10,600	552	16,500	16,600	940	22,500	22,600	1,347
1,800	1,850	87	4,800	4,850	230	10,600	10,700	558	16,600	16,700	947	22,600	22,700	1,353
1,850	1,900	89	4,850	4,900	233	10,700	10,800	565	16,700	16,800	954	22,700	22,800	1,360
1,900	1,950	92	4,900	4,950	235	10,800	10,900	571	16,800	16,900	961	22,800	22,900	1,367
1,950	2,000	94	4,950	5,000	237	10,900	11,000	578	16,900	17,000	968	22,900	23,000	1,374
2,000	2,050	97	5,000	5,100	241	11,000	11,100	584	17,000	17,100	974	23,000	23,100	1,380
2,050	2,100	99	5,100	5,200	246	11,100	11,200	590	17,100	17,200	981	23,100	23,200	1,387
2,100	2,150	101	5,200	5,300	250	11,200	11,300	597	17,200	17,300	988	23,200	23,300	1,394
2,150	2,200	104	5,300	5,400	255	11,300	11,400	603	17,300	17,400	995	23,300	23,400	1,401
2,200	2,250	106	5,400	5,500	260	11,400	11,500	609	17,400	17,500	1,001	23,400	23,500	1,408
2,250	2,300	109	5,500	5,600	265	11,500	11,600	616	17,500	17,600	1,008	23,500	23,600	1,414
2,300	2,350	111	5,600	5,700	270	11,600	11,700	622	17,600	17,700	1,015	23,600	23,700	1,421
2,350	2,400	113	5,700	5,800	274	11,700	11,800	628	17,700	17,800	1,022	23,700	23,800	1,428
2,400	2,450	116	5,800	5,900	279	11,800	11,900	635	17,800	17,900	1,028	23,800	23,900	1,435
2,450	2,500	118	5,900	6,000	284	11,900	12,000	641	17,900	18,000	1,035	23,900	24,000	1,441
2,500	2,550	120	6,000	6,100	289	12,000	12,100	648	18,000	18,100	1,042	24,000	24,100	1,448
2,550	2,600	123	6,100	6,200	293	12,100	12,200	654	18,100	18,200	1,049	24,100	24,200	1,455
2,600	2,650	125	6,200	6,300	298	12,200	12,300	660	18,200	18,300	1,056	24,200	24,300	1,462
2,650	2,700	128	6,300	6,400	303	12,300	12,400	667	18,300	18,400	1,062	24,300	24,400	1,468
2,700	2,750	130	6,400	6,500	308	12,400	12,500	673	18,400	18,500	1,069	24,400	24,500	1,475



# 1998 Tax Table for Trusts (Cont'd.)

If Line 15 is at least	but less than	Gross tax is	If Line 15 is at least	but less than	Gross tax is	If Line 15 is at least	but less than	Gross tax is	If Line 15 is at least	but less than	Gross tax is	If Line 15 is at least	but less than	Gross tax is
24,500	24,600	1,482	30,500	30,600	1,888	36,500	36,600	2,294	42,500	42,600	2,701	48,500	48,600	3,107
24,600	24,700	1,489	30,600	30,700	1,895	36,600	36,700	2,301	42,600	42,700	2,707	48,600	48,700	3,114
24,700	24,800	1,496	30,700	30,800	1,902	36,700	36,800	2,308	42,700	42,800	2,714	48,700	48,800	3,120
24,800	24,900	1,502	30,800	30,900	1,909	36,800	36,900	2,315	42,800	42,900	2,721	48,800	48,900	3,127
24,900	25,000	1,509	30,900	31,000	1,915	36,900	37,000	2,322	42,900	43,000	2,728	48,900	49,000	3,134
25,000	25,100	1,516	31,000	31,100	1,922	37,000	37,100	2,328	43,000	43,100	2,734	49,000	49,100	3,141
25,100	25,200	1,523	31,100	31,200	1,929	37,100	37,200	2,335	43,100	43,200	2,741	49,100	49,200	3,147
25,200	25,300	1,529	31,200	31,300	1,936	37,200	37,300	2,342	43,200	43,300	2,748	49,200	49,300	3,154
25,300	25,400	1,536	31,300	31,400	1,942	37,300	37,400	2,349	43,300	43,400	2,755	49,300	49,400	3,161
25,400	25,500	1,543	31,400	31,500	1,949	37,400	37,500	2,355	43,400	43,500	2,762	49,400	49,500	3,168
25,500	25,600	1,550	31,500	31,600	1,956	37,500	37,600	2,362	43,500	43,600	2,768	49,500	49,600	3,175
25,600	25,700	1,557	31,600	31,700	1,963	37,600	37,700	2,369	43,600	43,700	2,775	49,600	49,700	3,181
25,700	25,800	1,563	31,700	31,800	1,969	37,700	37,800	2,376	43,700	43,800	2,782	49,700	49,800	3,188
25,800	25,900	1,570	31,800	31,900	1,976	37,800	37,900	2,382	43,800	43,900	2,789	49,800	49,900	3,195
25,900	26,000	1,577	31,900	32,000	1,983	37,900	38,000	2,389	43,900	44,000	2,795	49,900	50,000	3,202
26,000	26,100	1,584	32,000	32,100	1,990	38,000	38,100	2,396	44,000	44,100	2,802	50,000 or more		3,205
26,100	26,200	1,590	32,100	32,200	1,997	38,100	38,200	2,403	44,100	44,200	2,809			
26,200	26,300	1,597	32,200	32,300	2,003	38,200	38,300	2,410	44,200	44,300	2,816	plus 6.77% of taxable income over \$50,000		
26,300	26,400	1,604	32,300	32,400	2,010	38,300	38,400	2,416	44,300	44,400	2,822			
26,400	26,500	1,611	32,400	32,500	2,017	38,400	38,500	2,423	44,400	44,500	2,829			
26,500	26,600	1,617	32,500	32,600	2,024	38,500	38,600	2,430	44,500	44,600	2,836			
26,600	26,700	1,624	32,600	32,700	2,030	38,600	38,700	2,437	44,600	44,700	2,843			
26,700	26,800	1,631	32,700	32,800	2,037	38,700	38,800	2,443	44,700	44,800	2,850			
26,800	26,900	1,638	32,800	32,900	2,044	38,800	38,900	2,450	44,800	44,900	2,856			
26,900	27,000	1,645	32,900	33,000	2,051	38,900	39,000	2,457	44,900	45,000	2,863			
27,000	27,100	1,651	33,000	33,100	2,057	39,000	39,100	2,464	45,000	45,100	2,870			
27,100	27,200	1,658	33,100	33,200	2,064	39,100	39,200	2,470	45,100	45,200	2,877			
27,200	27,300	1,665	33,200	33,300	2,071	39,200	39,300	2,477	45,200	45,300	2,883			
27,300	27,400	1,672	33,300	33,400	2,078	39,300	39,400	2,484	45,300	45,400	2,890			
27,400	27,500	1,678	33,400	33,500	2,085	39,400	39,500	2,491	45,400	45,500	2,897			
27,500	27,600	1,685	33,500	33,600	2,091	39,500	39,600	2,498	45,500	45,600	2,904			
27,600	27,700	1,692	33,600	33,700	2,098	39,600	39,700	2,504	45,600	45,700	2,911			
27,700	27,800	1,699	33,700	33,800	2,105	39,700	39,800	2,511	45,700	45,800	2,917			
27,800	27,900	1,705	33,800	33,900	2,112	39,800	39,900	2,518	45,800	45,900	2,924			
27,900	28,000	1,712	33,900	34,000	2,118	39,900	40,000	2,525	45,900	46,000	2,931			
28,000	28,100	1,719	34,000	34,100	2,125	40,000	40,100	2,531	46,000	46,100	2,938			
28,100	28,200	1,726	34,100	34,200	2,132	40,100	40,200	2,538	46,100	46,200	2,944			
28,200	28,300	1,733	34,200	34,300	2,139	40,200	40,300	2,545	46,200	46,300	2,951			
28,300	28,400	1,739	34,300	34,400	2,145	40,300	40,400	2,552	46,300	46,400	2,958			
28,400	28,500	1,746	34,400	34,500	2,152	40,400	40,500	2,558	46,400	46,500	2,965			
28,500	28,600	1,753	34,500	34,600	2,159	40,500	40,600	2,565	46,500	46,600	2,971			
28,600	28,700	1,760	34,600	34,700	2,166	40,600	40,700	2,572	46,600	46,700	2,978			
28,700	28,800	1,766	34,700	34,800	2,173	40,700	40,800	2,579	46,700	46,800	2,985			
28,800	28,900	1,773	34,800	34,900	2,179	40,800	40,900	2,586	46,800	46,900	2,992			
28,900	29,000	1,780	34,900	35,000	2,186	40,900	41,000	2,592	46,900	47,000	2,999			
29,000	29,100	1,787	35,000	35,100	2,193	41,000	41,100	2,599	47,000	47,100	3,005			
29,100	29,200	1,793	35,100	35,200	2,200	41,100	41,200	2,606	47,100	47,200	3,012			
29,200	29,300	1,800	35,200	35,300	2,206	41,200	41,300	2,613	47,200	47,300	3,019			
29,300	29,400	1,807	35,300	35,400	2,213	41,300	41,400	2,619	47,300	47,400	3,026			
29,400	29,500	1,814	35,400	35,500	2,220	41,400	41,500	2,626	47,400	47,500	3,032			
29,500	29,600	1,821	35,500	35,600	2,227	41,500	41,600	2,633	47,500	47,600	3,039			
29,600	29,700	1,827	35,600	35,700	2,234	41,600	41,700	2,640	47,600	47,700	3,046			
29,700	29,800	1,834	35,700	35,800	2,240	41,700	41,800	2,646	47,700	47,800	3,053			
29,800	29,900	1,841	35,800	35,900	2,247	41,800	41,900	2,653	47,800	47,900	3,059			
29,900	30,000	1,848	35,900	36,000	2,254	41,900	42,000	2,660	47,900	48,000	3,066			
30,000	30,100	1,854	36,000	36,100	2,261	42,000	42,100	2,667	48,000	48,100	3,073			
30,100	30,200	1,861	36,100	36,200	2,267	42,100	42,200	2,674	48,100	48,200	3,080			
30,200	30,300	1,868	36,200	36,300	2,274	42,200	42,300	2,680	48,200	48,300	3,087			
30,300	30,400	1,875	36,300	36,400	2,281	42,300	42,400	2,687	48,300	48,400	3,093			
30,400	30,500	1,881	36,400	36,500	2,288	42,400	42,500	2,694	48,400	48,500	3,100			