

# Caution

## Calculating Apportionment Percentage on Form 4B if a Factor Is Eliminated

If an apportionment factor is eliminated, the factor weights listed on Wisconsin Form 4B, Apportionment Data, for property, payroll, and sales **should not be used**. A factor may be eliminated if it isn't employed to any appreciable extent in producing apportionable income. You may not omit a factor simply because it isn't employed in Wisconsin.

For taxable years beginning in 2005, the sales factor generally is double-weighted. Therefore, the following weights should be used if a factor is eliminated (see the [Exception](#) for public utilities and telecommunications companies):

**Property Factor Eliminated:** If the property factor is eliminated, use a payroll factor weight on Form 4B, line 24, of 0.3333 and a sales factor weight on Form 4B, line 37, of 0.6667.

**Payroll Factor Eliminated:** If the payroll factor is eliminated, use a property factor weight on Form 4B, line 18, of 0.3333 and a sales factor weight on Form 4B, line 37, of 0.6667.

**Sales Factor Eliminated:** If the sales factor is eliminated, use a property factor weight on Form 4B, line 18, of 0.5 and a payroll factor weight on Form 4B, line 24, of 0.5.

**Exception:** Public utilities and telecommunications companies generally use an equally weighted three-factor apportionment formula for taxable years beginning in 2005. Therefore, if one factor is eliminated, use a factor weight of 0.5 for each of the two remaining factors.

Wisconsin Apportionment Data

Attach to Wisconsin Form 3, 3S, 4, 4T, or 5S

Wisconsin Department of Revenue

Read instructions before filling in this form

Name Federal Employer ID Number

Part I Nonapportionable Income (Loss) (Income (loss) from rentals, royalties, or sales of nonbusiness tangible property)

Table with 3 columns: Description, (a) Wisconsin, (b) Total Company. Rows 1-5: Rents and royalties, Expenses, Subtract line 2, Profits (losses), Add lines 3 and 4.

Part II Apportionment Percentage (Except for air carriers, motor carriers, railroads, sleeping car companies, pipeline companies, and finance companies)

Check box if applicable and use the factor weights indicated:

- A Public utility (other than a telecommunications company): Property 0.3333; payroll 0.3333; sales 0.3333
B Telecommunications company: Property 0.3333; payroll 0.3333; sales 0.3333
C Carline company: Property 0.25; payroll 0.25; sales 0.5

Property Factor

Table with 5 columns: Description, (a) Wisconsin (i) Beginning of Year, (a) Wisconsin (ii) End of Year, (b) Total Company (i) Beginning of Year, (b) Total Company (ii) End of Year. Rows 6-13: Land, Buildings, Furniture and fixtures, Transportation equipment, Machinery and other equipment, Inventories, Other, Add lines 6 through 12.

Table with 3 columns: Description, (a) Wisconsin, (b) Total Company. Rows 14-19: Separately for Wisconsin and the total company, add the amounts from line 13, columns (i) and (ii), and divide each total by 2. This is the average owned property; Rentals paid multiplied by 8; Add lines 14 and 15. This is the total property; Divide line 16, column a, by line 16, column b (carry to 4 decimal places). This is the Wisconsin property factor; Property factor weight; Multiply line 17 by line 18. This is the weighted ratio for property.

**Payroll Factor**

	<b>(a) Wisconsin</b>	<b>(b) Total Company</b>
<b>20</b> Wages, salaries, and other compensation paid to employees . . . . . <b>20</b>	_____	_____
<b>21</b> Fees paid to affiliated corporations for personal services . . . . . <b>21</b>	_____	_____
<b>22</b> Add lines 20 and 21. This is the total payroll . . . . . <b>22</b>	_____	_____
<b>23</b> Divide line 22, column a, by line 22, column b ( <i>carry to 4 decimal places</i> ). This is the Wisconsin payroll factor . . . . . <b>23</b>	_____	_____
<b>24</b> Payroll factor weight . . . . . <b>24</b>	0.25	_____
<b>25</b> Multiply line 23 by line 24. This is the weighted ratio for payroll . . . . . <b>25</b>	_____	_____

**Sales Factor**

	<b>(a) Wisconsin</b>	<b>(b) Total Company</b>
<b>26</b> Sales of tangible personal property delivered or shipped to Wisconsin purchasers:		
<b>a</b> Shipped from outside Wisconsin . . . . . <b>26a</b>	_____	_____
<b>b</b> Shipped from within Wisconsin . . . . . <b>26b</b>	_____	_____
<b>27</b> Sales of tangible personal property shipped from Wisconsin to:		
<b>a</b> The federal government within Wisconsin . . . . . <b>27a</b>	_____	_____
<b>b</b> The federal government in a state where the taxpayer would not be taxable under P.L. 86-272. Total _____ x 0.5 . . . . . <b>27b</b>	_____	_____
<b>c</b> Purchasers in a state where the taxpayer would not be taxable under P.L. 86-272. Total _____ x 0.5 . . . . . <b>27c</b>	_____	_____
<b>28</b> Double throwback sales. Total _____ x 0.5 . . . . . <b>28</b>	_____	_____
<b>29</b> Total sales of tangible personal property (for column a, add lines 26 through 28) . . . . . <b>29</b>	_____	_____
<b>30</b> Gross receipts from the use of computer software if the purchaser or licensee used the software:		
<b>a</b> In Wisconsin . . . . . <b>30a</b>	_____	_____
<b>b</b> In a state where the taxpayer is not taxable. Total _____ x 0.5 . . . . . <b>30b</b>	_____	_____
<b>31</b> Total gross receipts from the use of computer software (for column a, add lines 30a and 30b) . . . . . <b>31</b>	_____	_____
<b>32</b> Gross receipts from services provided to a purchaser who:		
<b>a</b> Received benefit in Wisconsin . . . . . <b>32a</b>	_____	_____
<b>b</b> Received benefit in a state where the taxpayer is not taxable. Total _____ x 0.5 . . . . . <b>32b</b>	_____	_____
<b>33</b> Total gross receipts from services (for column a, add lines 32a and 32b) . . . . . <b>33</b>	_____	_____
<b>34</b> Other apportionable gross receipts . . . . . <b>34</b>	_____	_____
<b>35</b> Add lines 29, 31, 33, and 34 for each column. This is the total sales . . . . . <b>35</b>	_____	_____
<b>36</b> Divide line 35, column a, by line 35, column b ( <i>carry to 4 decimal places</i> ). This is the Wisconsin sales factor . . . . . <b>36</b>	_____	_____
<b>37</b> Sales factor weight . . . . . <b>37</b>	0.5	_____
<b>38</b> Multiply line 36 by line 37. This is the weighted ratio for sales <b>38</b>	_____	_____
<b>39</b> Add lines 19, 25, and 38. This is the Wisconsin percentage <b>39</b>	_____	_____