

Wisconsin Exempt Organization Business Taxes Form 4T Instructions

New . . .

Computing Wisconsin net income

Compute Wisconsin net income for taxable years beginning in 2005 using the federal Internal Revenue Code as amended to December 31, 2004, with certain exceptions. The exceptions are described on page 5.

Veterans trust fund donation

Exempt organizations may designate any amount of refund due or additional payment for the veterans trust fund. See page 11.

Important . . .

Allocation of income from lottery prizes

All income realized from the sale of or purchase and subsequent sale or redemption of lottery prizes if the winning tickets were originally bought in Wisconsin is allocated to Wisconsin. A multistate corporation includes this income on Form 4B, Part I, line 4. See page 13.

Indicate type of organization

Make sure you indicate the type of your organization by checking the appropriate box under item G on page 1 of Form 4T. Failure to do so may result in the incorrect processing of your return.

For More Information . . .

Visit the Department of Revenue's Internet web site at www.dor.state.wi.us

At this site you may download tax forms and instructions, Department of Revenue publications, and the *Wisconsin Tax Bulletin*, which is a quarterly newsletter that provides information about new Wisconsin tax laws, administrative rules, court decisions, tax releases, and private letter rulings. The site also provides links to Wisconsin laws and tax rules.

Don't Forget . . .

- 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



General Instructions

Purpose of Form 4T

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

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 a limited liability company (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.
- Exempt organizations engaged in buying or selling lottery prizes if the winning tickets were originally bought 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, except those with income realized from the sale of or purchase and subsequent sale or redemption of lottery prizes if the winning tickets were originally bought in Wisconsin.
- 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.

Recycling Surcharge

The recycling surcharge applies to corporations and trusts having gross receipts from all unrelated trade or business activities of \$4 million or more during the taxable year. Corporations and trusts that must file Wisconsin franchise or income tax returns must pay the recycling surcharge, with certain exceptions. The surcharge doesn't apply to:

- Exempt corporations and trusts that have less than \$4 million of gross receipts from all unrelated trade or business activities for federal income tax purposes.

“Gross receipts from all unrelated trade or business activities” includes gross receipts, gross sales, the gross sales price from the disposition of capital assets and business assets, gross rents, gross income from unrelated debt-financed property, gross interest, annuities, royalties, and rents from controlled organizations, gross investment income, gross exploited exempt activity income, gross advertising income, gross receipts passed through from other entities, and all other receipts that are included in unrelated business taxable income for Wisconsin income tax purposes.
- Trusts and IRAs whose entire unrelated business taxable income was passed through from partnerships, provided the partnerships paid any recycling surcharge due on the income.

For more information, refer to Publication 400, *Wisconsin's Recycling Surcharge*.

How to Obtain Forms

If you need forms or publications, you may:

- Download them from the Department's Internet web site at www.dor.state.wi.us
- Use your fax telephone to call the Department's Fax-A-Form Retrieval System at (608) 261-6229
- Request them online at www.dor.state.wi.us/html/formsreq.html
- Call (608) 266-1961
- Write to the Forms Request Office, Wisconsin Department of Revenue, Mail Stop 1-151, P.O. Box 8949, Madison, WI 53708-8949
- Call or visit any Department of Revenue office

How to Obtain Assistance

If you need help in preparing an exempt organization franchise or income tax return, you may:

- E-mail your question to corp@dor.state.wi.us
- Send a FAX to (608) 267-0834
- Call (608) 266-2772 [TTY (608) 267-1049]
- Write to the Audit Bureau, Wisconsin Department of Revenue, Mail Stop 5-144, P.O. Box 8906, Madison, WI 53708-8906
- 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 2005 Wisconsin return must be filed by an exempt organization for calendar year 2005 or a fiscal year that begins in 2005. 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 52-53 week period for federal tax purposes must file on the same reporting period for Wisconsin. A 52-53 week taxable year is deemed to begin on the first day of the calendar month beginning nearest the first day of the 52-53 week taxable year. The taxable year is deemed to end on the last day of the calendar month closest to the last day of the 52-53 week taxable year 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, 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 different elections are made, adjustments are required on the Wisconsin return to account for any differences. Exempt organizations taxable as trusts enter such adjustments on Schedule T1 or Schedule T2. 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. How-

ever, 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 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 receive 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. Attach a copy of Form IC-830 to the Wisconsin return that you file.
- Exempt organizations taxable as trusts may obtain an extension allowable under federal law by (1) estimating their 2005 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.

When to Pay Franchise or Income Tax and Recycling Surcharge

The franchise or income tax and recycling surcharge must be paid by the 15th day of the 5th month (15th day of the 4th month for employees' 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 recycling surcharge.

An extension for filing the return doesn't extend the time to pay the franchise or income tax and 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 pay-

General Instructions (continued)

ing 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

If the total of an exempt organization's franchise or income tax and recycling surcharge due is \$500 or more, it generally must make quarterly estimated tax payments using Wisconsin Form 4-ES or by electronic funds transfer. Failure to make required estimated tax payments may result in an interest charge.

An exempt corporation 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 corporation files its tax return. **Do not** file Form 4466W at the same time as your tax return.

An exempt corporation 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 after 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 1099 to the Wisconsin Department of Revenue, P.O. Box 8932, Madison, WI 53708-8932.)

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 or by electronic transfer. For more information, call (608) 267-3327, e-mail w2data@dor.state.wi.us, or write to the Magnetic Media Coordinator, Audit Bureau, Wisconsin Department of Revenue, Room 232B, 2135 Rimrock Road, P.O. Box 8906, Madison, WI 53708-8906.

Internal Revenue Service Adjustments

If any of your federal tax returns are adjusted by the Internal Revenue Service and the 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 the 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 Wisconsin returns to the Wisconsin Department of Revenue, P.O. Box 8908, Madison, WI 53708-8908. If submitting a federal audit report without an amended return, mail it to the Audit

Bureau, Wisconsin Department of Revenue, Mail Stop 5-144, P.O. Box 8906, Madison, WI 53708-8906. Don't attach these items to the tax return for the current year.

Amended Returns

After you have filed a complete, original tax return, you may 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, use Form 4T and check the "Amended return" box on the front of the return. Attach an explanation of any changes made. 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 refund or additional amount owed.

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 4 years after such an assessment. That assessment must have been paid and must not have been protested by filing a petition for redetermination. See Section Tax 2.12, Wisconsin Administrative Code, for more information.

Send amended returns to the Wisconsin Department of Revenue, P.O. Box 8908, Madison, WI 53708-8908. Don't attach amended returns to other tax returns that you are filing.

Wisconsin 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, (3) a county within the baseball stadium district (Milwaukee, Ozaukee, Racine, Washington, and Waukesha Counties) that has adopted the 0.1% baseball stadium tax, or (4) the football stadium district (Brown County) that has adopted the 0.5% football stadium tax, without payment of a state, county, or stadium sales or use tax may owe Wisconsin state, county, or stadium use tax and be required to file a Wisconsin sales and use tax return. For more information or forms, e-mail sales10@dor.state.wi.us, fax your question to (608) 267-1030, call (608) 266-2776, or write to the Wisconsin Department of Revenue, Mail Stop 5-77, P.O. Box 8949, Madison, WI 53708-8949.

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.

You must complete pages 1 and 2 of Form 4T and make appropriate entries in the schedules on page 3. Do not enter “See Attached” instead of completing the entry spaces. If more space is needed, attach separate sheets using the same size and format as the printed forms. (The numbering corresponds with the line numbers on Form 4T, pages 1 and 2, unless otherwise indicated.)

Caution: The Internal Revenue Service hasn’t finalized the 2005 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

Round cents 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 2005 return for calendar year 2005 and fiscal years that begin in 2005. 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. If the exempt organization dissolved, enter the date of dissolution as the ending date.

■ **Name and Address** – Using black ink, print or type the exempt organization’s name and address.

■ **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, calling the IRS’s toll-free number (800) 829-4933, or applying online at www.irs.gov.

■ **B. Business Activity (NAICS) Code** – Enter the exempt organization’s principal business activity code, based on the North American Industry Classification System (NAICS), from your federal return. Or go to www.census.gov/epcd/www/naics.html to find the NAICS code for your principal business activity.

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

■ **D. First Return, Final Return, Short Period – Change in Accounting Period, and Short Period – Stock Purchase or Sale** – If this is the first year that you are filing a Wisconsin return because the exempt organization 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.

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

■ **F. Extended Due Date** – If the exempt organization has an extension of time to file its Wisconsin return, enter the extended due date.

■ **G. 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.

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

IMPORTANT – The Wisconsin unrelated business franchise and income tax law is based on the federal Internal Revenue Code (IRC). Although federal unrelated business taxable income is indicated as the starting point on the Wisconsin return, Wisconsin unrelated business taxable income for taxable years that begin in 2005 must be determined using the Internal Revenue Code as amended to December 31, 2004, with the exceptions listed below. The Internal Revenue Code generally applies for Wisconsin purposes at the same time as for federal purposes.

Computing Federal Taxable Income for Wisconsin Purposes

Exceptions: The following federal law changes *do not apply* for Wisconsin franchise and income tax purposes.

- Sections 1, 3, 4, and 5 of Public Law 106-519, FSC Repeal and Extraterritorial Income Exclusion Act of 2000, enacted November 15, 2000, relating to the allowance of an exclusion for extraterritorial income. Foreign sales corporation (FSC) treatment is repealed for Wisconsin for taxable years beginning on or after January 1, 2005.
- Section 162 of Public Law 106-554, Community Renewal Tax Relief Act of 2000, enacted December 21, 2000, and section 308 of Public Law 108-311, Working Families Tax Relief Act of 2004, enacted October 4, 2004, relating to the expensing of environmental remediation costs and the extension of the termination date.
- Section 165 of Public Law 106-554, Community Renewal Tax Relief Act of 2000, enacted December 21, 2000, and section 306 of Public Law 108-311, Working Families Tax Relief Act of 2004, enacted October 4, 2004, relating to the enhanced deduction for corporate donations of computer technology and the extension of the termination date.
- Public Law 106-573, Installment Tax Correction Act of 2000, enacted December 28, 2000, relating to the restoration of the installment method of accounting for accrual basis taxpayers. For Wisconsin purposes, accrual basis taxpayers cannot use the installment method for reporting sales and other dispositions occurring on or after December 17, 1999. Instead, gain from the sale of property must be recognized in the year of the sale, rather than when the payments are received.
- Section 101 of Public Law 107-147, Job Creation and Worker Assistance Act of 2002, enacted March 9, 2002, section 201 of Public Law 108-27, Jobs and Growth Tax Relief Reconciliation Act of 2003, enacted May 28, 2003, and section 403(a) of Public Law 108-311, Working Families Tax Relief Act of 2004, enacted October 4, 2004, relating to the 30% bonus depreciation allowance for qualified property acquired after September 10, 2001.
- Section 201 of Public Law 108-27, Jobs and Growth Tax Relief Reconciliation Act of 2003, enacted May 28, 2003, relating to the 50% bonus depreciation allowance for qualified property acquired after May 5, 2003.

Line-by-Line Instructions (continued)

- Section 202 of Public Law 108-27, Jobs and Growth Tax Relief Reconciliation Act of 2003, enacted May 28, 2003, relating to increased section 179 expensing for small business, and section 201 of Public Law 108-357, American Jobs Creation Act of 2004, enacted October 22, 2004, relating to the extension of the termination date.
- Section 1201 of Public Law 108-173, Medicare Prescription Drug, Improvement, and Modernization Act of 2003, enacted December 8, 2003, relating to health savings accounts.
- Section 244 of Public Law 108-357, American Jobs Creation Act of 2004, enacted October 22, 2004, relating to special rules for certain film and television productions.
- Section 336 of Public Law 108-357, American Jobs Creation Act of 2004, enacted October 22, 2004, relating to the depreciation allowance for aircraft.
- Section 337 of Public Law 108-357, American Jobs Creation Act of 2004, enacted October 22, 2004, relating to the modification of the placed in service rule for purposes of bonus depreciation.
- Section 909 of Public Law 108-357, American Jobs Creation Act of 2004, enacted October 22, 2004, relating to sales or dispositions to implement Federal Energy Regulatory Commission or state electric restructuring policy.
- Section 910 of Public Law 108-357, American Jobs Creation Act of 2004, enacted October 22, 2004, relating to the expansion of the limitation on depreciation of certain passenger automobiles.

Federal law changes enacted after December 31, 2004, won't apply for Wisconsin purposes unless subsequently adopted by the Wisconsin Legislature. For example, Public Law 109-58, Energy Tax Incentives Act of 2005, enacted August 8, 2005, Public Law 109-59, Safe, Accountable, Flexible, Efficient Transportation Equity Act of 2005, enacted August 10, 2005, and Public Law 109-73, Katrina Emergency Tax Relief Act of 2005, enacted September 23, 2005, do not apply for Wisconsin purposes.

Depreciation Differences

For property placed in service in taxable years beginning on or after January 1, 2005, you must compute depreciation or amortization under the Internal Revenue Code as amended to December 31, 2000. For qualified property acquired after September 10, 2001, you may not claim the federal 30% bonus depreciation. The 50% additional first-year depreciation deduction may not be claimed for 50% bonus property acquired after May 5, 2003. Provide a schedule detailing any differences between federal and Wisconsin depreciation amounts.

Note: An asset placed in service before 2005 must continue to be depreciated or amortized under the method allowable for Wisconsin purposes for the year in which it was placed in service.

Accounting for Differences

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 T1 or Schedule T2. Exempt organizations taxable as corporations should see the instructions for line 1 below.

■ **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. However, all income that is realized from the sale of or purchase and subsequent sale or redemption of lottery prizes if the winning tickets were originally bought in **Wisconsin** must be reported to Wisconsin.

Note: Show losses by putting the amount in parentheses.

Caution: If any changes to the Internal Revenue Code or depreciation differences described above 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 12). If using the separate accounting method, don't complete lines 2 through 6. Instead, see the instructions for Separate Accounting Data (page 15) and enter the Wisconsin unrelated business taxable income on line 7.

Note: Exempt organizations engaged in an unrelated trade or business solely in Wisconsin, should skip lines 2 through 6. Instead, enter the amount from 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 C1, page 2, and enter the available credit.

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. Dairy investment credit
3. Research expense credit
4. Development zones research credit carryforward
5. Research facilities credit
6. Community development finance credit
7. Development zones jobs credit carryforward
8. Development zones sales tax credit carryforward
9. Development zones investment credit, including development opportunity zone investment credit
10. Development zones location credit carryforward
11. Development opportunity zone or agricultural development zone capital investment credit
12. Development zones day care credit carryforward
13. Development zones environmental remediation credit carryforward
14. Development zones credit
15. Technology zone credit
16. Early stage seed investment credit
17. Supplement to federal historic rehabilitation tax credit

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

Schedule C1 - Nonrefundable Credits

Line 1. Manufacturer's Sales Tax Credit – Enter the available manufacturer's sales tax credit from Schedule Z, line 13.

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

For information on how to compute the credit, obtain the 2005 Wisconsin Form 5 instructions. Figure the credit as explained in the instructions for Schedule Z. However, the Wisconsin state (and county and baseball and football stadium, if applicable) sales and use taxes that may be used to compute the credit must have been paid on fuel and electricity consumed in manufacturing in Wisconsin in the unrelated trade or business activity.

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. Use Schedule Z-1 to figure the allowable credit from pass-through entities.

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 credit is a nonrefundable credit. To the extent that the credit cannot be used to reduce the tax liability for the current year, it may be offset against the tax liability of the subsequent year and each succeeding year up to 20 years, for credits computed by exempt corporations for taxable years beginning on or after January 1, 1988. The 20-year carryforward period applies to credits computed by pass-through entities for taxable years beginning on or after January 1, 1998.

Line 2. Dairy Investment Credit – Enter the dairy investment credit from Schedule DI, line 9.

Exempt corporations that pay certain amounts for dairy farm modernization or expansion of their dairy farm in Wisconsin as part of an unrelated trade or business may claim a credit.

Line 3. Research Expense Credit – Enter the research expense 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 4. Development Zones Research Credit – Enter the development zones research credit carryforward.

Line 5. Research Facilities Credit – Enter the research facilities 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 6. 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 the subsequent years, up to 15 years.

Line 7. Development Zones Jobs Credit – Enter the development zones jobs credit carryforward.

Line 8. Development Zones Sales Tax Credit – Enter the development zones sales tax credit carryforward.

Line 9. Development Zones Investment Credit – Enter the total of the development opportunity zone investment credit and any development zones investment credit carryforward from Schedule DC, line 15.

Line 10. Development Zones Location Credit – Enter the development zones location credit carryforward.

Line 11. Development Zone Capital Investment Credit – Enter the development opportunity zone or agricultural development zone capital investment credit from Schedule DC, line 23.

Line 12. Development Zones Day Care Credit – Enter the development zones day care credit carryforward.

Line 13. Development Zones Environmental Remediation Credit – Enter the development zones environmental remediation credit carryforward.

Line 14. Development Zones Credit – Enter the development zones credit from Schedule DC, line 7.

Exempt corporations doing business in Wisconsin development, development opportunity, enterprise development, or agricultural development zones may be eligible for tax credits based on expenditures for environmental remediation and job creation or retention. The Wisconsin Department of Commerce administers the Wisconsin development zones programs. For more information about the programs, visit the Department of Commerce web site at www.commerce.wi.gov/CD/CD-bed.html or write to the Wisconsin Department of Commerce, P.O. Box 7970, Madison, WI 53707-7970.

Line 15. Technology Zone Credit – Enter the technology zone credit from Schedule TC, line 8.

Line-by-Line Instructions (continued)

Exempt corporations doing business in Wisconsin technology zones may be eligible for a tax credit based on the property taxes paid, capital investments made, and jobs created. The Department of Commerce administers the Wisconsin technology zone program. For more information about the program, visit the Department of Commerce web site at www.commerce.wi.gov/CD/CD-bed.html or write to the Wisconsin Department of Commerce, P.O. Box 7970, Madison, WI 53707-7970.

Line 16. Early Stage Seed Investment Credit – Enter the early stage seed investment credit from Schedule VC, line 8.

Exempt corporations making payments to a qualified fund manager for investment in a qualified new business venture may be eligible for a tax credit. The Department of Commerce administers the early stage business investment program. For more information about this program, visit the Department of Commerce web site at www.commerce.wi.gov/Act255/ or write to the Wisconsin Department of Commerce, P.O. Box 7970, Madison, WI 53707-7970.

Note: Each of these credits (items 1 through 16) 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 future years.

Line 17. Supplement to Federal Historic Rehabilitation Tax Credit – Enter the supplement to the federal historic rehabilitation tax credit from Schedule HR, line 7.

Exempt corporations that rehabilitate certified historic structures located in Wisconsin and used for unrelated trade or business purposes may claim a credit. The Wisconsin Historical Society administers the historic preservation program. For more information about this program, visit the Historical Society's web site at www.wisconsinhistory.org/hp/buildings, write to the Division of Historic Preservation, Wisconsin Historical Society, 816 State Street, Madison, WI 53706-1488, or call (608) 264-6490.

Line 18. Add lines 1 through 17. This is the total available nonrefundable 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 described on page 5, or depreciation differences described on page 6, affect the computation of federal unrelated business taxable income but don't apply for Wisconsin purposes, make adjustments on Schedule T1 or Schedule T2, 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 T1, page 3, and enter the total.

Schedule T1 - Trust Additions

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 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.

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 sum of the trust's manufacturer's sales tax credit computed (from Schedule MS, line 10) plus the credits passed through from other entities.

Line 7. Enter the dairy investment credit computed (from 2005 Schedule DI, line 7).

Line 8. Enter the technology zone credit computed (from 2005 Schedule TC, line 6).

Line 9. Enter the development zones credits computed (from 2005 Schedule DC, lines 5, 13, and 21).

Line 10. Enter the early stage seed investment credit computed (from 2005, Schedule VC, line 8).

Line 11. 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 12. 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.

For example, enter all income that is realized from the sale of or purchase and subsequent sale or redemption of lottery prizes if the winning tickets were originally bought in Wisconsin.

■ **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 T2, page 3, and enter the total.

Schedule T2 - Trust Subtractions

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 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.

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 begins on page 16.

■ **Line 17. Nonrefundable Credits** – Complete Schedule C1, page 2, and enter the available credit.

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. Dairy investment credit
4. Development zones jobs credit carryforward
5. Development zones sales tax credit carryforward
6. Development zones investment credit, including development opportunity zone investment credit
7. Development zones research credit carryforward
8. Development zones location credit carryforward
9. Development opportunity zone or agricultural development zone capital investment credit

10. Technology zone credit
11. Development zones day care credit carryforward
12. Development zones environmental remediation credit carryforward
13. Development zones credit
14. Early stage seed investment credit

Schedule C1 - Nonrefundable Credits

Caution: *Don't enter amounts on Schedule C1, lines 3, 5, and 6. These credits are available only to exempt organizations taxable as corporations.*

Line 1. Manufacturer's Sales Tax Credit – Enter the available manufacturer's sales tax credit from Schedule MS.

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 baseball and football stadium sales and use taxes paid on fuel and electricity consumed in manufacturing tangible personal property.

For information on how to compute the credit, obtain the 2005 Schedule MS, Manufacturer's Sales Tax Credit. Figure the credit as explained in the instructions for Schedule MS. However, the Wisconsin state (and county and baseball and football stadium, if applicable) sales and use taxes that may be used to compute the credit must have been paid on fuel and electricity consumed in manufacturing in Wisconsin in the unrelated trade or business activity.

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 credit is a nonrefundable credit. To the extent that the credit cannot be used to reduce the tax liability for the current year, it may be offset against the tax liability of the subsequent year and each succeeding year up to 20 years for credits computed for taxable years beginning on or after January 1, 1998.

Line 2. Dairy Investment Credit – Enter the dairy investment credit from Schedule DI, line 9.

Exempt trusts that pay certain amounts for dairy farm modernization or expansion of their dairy farm in Wisconsin as part of an unrelated trade or business may claim a credit.

Line 4. Development Zones Research Credit – Enter the development zones research credit carryforward.

Line-by-Line Instructions (continued)

Line 7. Development Zones Jobs Credit – Enter the development zones jobs credit carryforward.

Line 8. Development Zones Sales Tax Credit – Enter the development zones sales tax credit carryforward.

Line 9. Development Zones Investment Credit – Enter the total of the development opportunity zone investment credit and any development zones investment credit carryforward from Schedule DC, line 15.

Line 10. Development Zones Location Credit – Enter the development zones location credit carryforward.

Line 11. Development Zone Capital Investment Credit – Enter the development opportunity zone or agricultural development zone capital investment credit from Schedule DC, line 23.

Line 12. Development Zones Day Care Credit – Enter the development zones day care credit carryforward.

Line 13. Development Zones Environmental Remediation Credit – Enter the development zones environmental remediation credit carryforward.

Line 14. Development Zones Credit – Enter the development zones credit from Schedule DC, line 7.

Exempt organizations taxable as trusts doing business in Wisconsin development, development opportunity, enterprise development, or agricultural development zones may be eligible for tax credits based on expenditures for environmental remediation and job creation or retention. The Wisconsin Department of Commerce administers the Wisconsin development zones programs. For more information about the programs, visit the Department of Commerce web site at www.commerce.wi.gov/CD/CD-bed.html or write to the Wisconsin Department of Commerce, P.O. Box 7970, Madison, WI 53707-7970.

Line 15. Technology Zone Credit – Enter the technology zone credit from Schedule TC, line 8.

Exempt organizations taxable as trusts doing business in Wisconsin technology zones may be eligible for a tax credit based on the property taxes paid, capital investments made, and jobs created. The Department of Commerce administers the Wisconsin technology zone program. For more information about the program, visit the Department of Commerce web site at www.commerce.wi.gov/CD/CD-bed.html or write to the Wisconsin Department of Commerce, P.O. Box 7970, Madison, WI 53707-7970.

Line 16. Early Stage Seed Investment Credit – Enter the early stage seed investment credit from Schedule VC, line 8.

Exempt organizations taxable as trusts making payments to a qualified fund manager for investment in a qualified new business venture may be eligible for a tax credit. The Department of Commerce administers the early stage business investment program. For more information about this program, visit the Department of Commerce web site at www.commerce.wi.gov/Act 255/ or write to the Wisconsin Department of Commerce, P.O. Box 7970, Madison, WI 53707-7970.

Note: Each of the above credits (lines 1 through 16) 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.

Line 18. Supplement to Federal Historic Rehabilitation Tax Credit – Enter the supplement to the federal historic rehabilitation tax 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 Wisconsin Historical Society administers the historic preservation program. For more information about this program, visit the Historical Society's web site at www.wisconsinhistory.org/hp/buildings, write to the Division of Historic Preservation, Wisconsin Historical Society, 816 State Street, Madison, WI 53706-1488, or call (608) 264-6490.

Line 18. Add lines 1, 2, and 6 through 16. 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. Recycling Surcharge** – Figure the surcharge as explained below.

Exempt organizations taxable as corporations:

Enter the greater of \$25 or 3% (0.03) of the gross tax on line 8, but not more than \$9,800.

Note: The recycling surcharge does not apply to exempt organizations taxable as corporations that have less than \$4 million of gross receipts from all unrelated trade or business activities for federal income tax purposes (as defined on page 2).

Exempt organizations taxable as trusts:

If gross receipts from all farm and nonfarm unrelated trade or business activities for federal income tax purposes are \$4 million or more, enter the greater of \$25 or 0.2% (0.002) of the Wisconsin unrelated business taxable income on line 15, but not more than \$9,800.

Exception: For trusts engaged in both farming and nonfarming activities, exclude any net farm profit (loss) that is included in the amount reported on line 15 when calculating the recycling surcharge.

■ **Line 21. Endangered Resources Donation** – *Exempt organizations taxable as corporations:* Your donation supports the preservation and management of more than 200 endangered and threatened Wisconsin plants and animals. It also helps protect Wisconsin's finest remaining examples of prairies, forests, and wetlands.

Support endangered resources in Wisconsin. Fill in line 21 with the amount you wish to donate. Your gift will either reduce your refund or be added to tax due. You can also send a check directly to the Endangered Resources Fund, Department of Natural Resources, P.O. Box 7921, Madison WI 53707-7921.

■ **Line 22. Veterans Trust Fund Donation** – You may designate an amount as a veterans trust fund donation. Your donation will be used by the Wisconsin Department of Veterans Affairs for the benefit of veterans or their dependents.

Fill in line 22 with the amount you wish to donate. Your donation will either reduce your refund or be added to tax due.

■ **Line 24. Estimated Tax Payments** – Enter estimated tax payments made or overpayments applied from prior years' returns. Subtract any "quick refund" applied for on Form 4466W.

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

■ **Line 25. Wisconsin Tax Withheld From Pass-Through Entities** – Enter your share of Wisconsin tax withheld from pass-through entities of which you are a member, as reported on Wisconsin Schedule 5K-1, 3K-1, or 2K-1. Attach a copy of the Schedule 5K-1, 3K-1, or 2K-1 to the tax return that you file.

For taxable years beginning in 2005, pass-through entities are subject to withholding tax on Wisconsin income allocable to a nonresident partner, member, shareholder, or beneficiary. A nonresident includes a corporation whose commercial domicile is not in Wisconsin and a trust that is a nonresident under sec. 71.14(1) to (3m), Wis. Stats.

■ **Line 26. Refundable Credits** – Complete Schedule C2, page 2, and enter the total available credit.

Schedule C2 - Refundable Credits

Note: *Exempt organizations taxable as corporations don't enter an amount on Schedule C2, line 3. This credit is available only to exempt organizations taxable as trusts.*

Line 1. Farmland Preservation Credit – Enter the farmland preservation credit from Schedule FC, line 18.

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 – Enter the farmland tax relief 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 Wisconsin Schedule OS and the other state's tax return must be submitted with Form 4T.

See Wisconsin Schedule OS for more information.

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

■ **Line 28. Interest, Penalty, and Late Fee Due** – Enter any interest, penalty, and late fee due from Form 4U, line 17 or 26. Check the box if you figured underpayment interest using the annualized income installment method on Form 4U, page 2.

Amended Return – 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 28. Show an overpayment in parentheses. Attach Form 4U to your amended return. Otherwise, leave line 28 blank. The Department will compute interest on the amount of refund approved or tax owed.

■ **Line 29. Tax Due** – If the total of lines 23 and 28 is larger than line 27, enter the amount owed. Pay by electronic funds transfer or mail your check with a 2005 Form 4-ES, Corporation Estimated Tax Voucher, to the address shown on the voucher. Otherwise, paper clip your check to the front of Form 4T.

■ **Line 30. Overpayment** – If line 27 is larger than the total of lines 23 and 28, enter the overpayment.

■ **Line 31. 2006 Estimated Tax** – Enter the amount of any overpayment from line 30 that is to be credited to the exempt organization's 2006 estimated tax. The balance of any overpayment will be refunded.

Amended Return: If you have already filed your 2006 return, enter the overpayment that you claimed as a credit on your 2006 return from your previously filed original or amended 2005 return. Otherwise, you may allocate the overpayment from line 30 between line 31 and line 32 as you choose.

■ **Line 33. Total Gross Receipts** – Enter the "gross receipts from all unrelated trade or business activities" including gross receipts, gross sales, the gross sales price from the disposition of capital assets and business assets, gross rents, gross income from unrelated debt-financed property, gross interest, annuities, royalties, and rents from controlled organizations, gross investment income, gross exploited exempt activity income, gross advertising income, gross receipts passed through from other entities, and all other receipts that are included in unrelated business taxable income for Wisconsin tax purposes.

■ **Additional Information Required** – Answer questions 1 through 6 on Form 4T, page 3.

Line-by-Line Instructions (continued)

■ **Signatures** – An officer or trustee of the exempt organization must sign the form at the bottom of page 3. 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 preparer’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 any supporting forms or schedules. 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 8908, Madison, WI 53708-8908.

Form 4B – Apportionment Data

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 with respect to an unrelated trade or business activity. This income is assigned to the state where the property is located.

All income that is realized from the sale of or purchase and subsequent sale or redemption of lottery prizes if the winning tickets were originally bought in **Wisconsin** shall be allocated to Wisconsin.

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 with respect to unrelated trade or business activities.
2. Wisconsin payroll to total organization payroll with respect to unrelated trade or business activities.
3. Wisconsin sales to total organization sales from unrelated trade or business activities. (This ratio is double-weighted.)

Air carriers, motor carriers, railroads and sleeping car companies, pipeline companies, and financial organizations (except insurance companies) should see the Form 4B-1 instructions in the Form 4 instruction booklet.

Corporate Partners or LLC Members

An exempt corporation that is a general or limited partner includes its share of the numerator and denominator of the partnership’s apportionment factors in the numerator and denominator of its apportionment factors. An exempt corporation that is a member of a limited liability company (LLC) treated as a partnership for federal tax purposes includes its share of the numerator and denominator of the LLC’s apportionment factors in the numerator and denominator of its apportionment factors.

Note: Income from a partnership or LLC may be nontaxable under the principles of the U.S. Supreme Court decision in *Allied-Signal v. Director, Div. of Taxation*, 504 U.S. 768 (1992), if the investment is passive and does not serve an operational function. In this case, the exempt corporation would not include its share of the partnership’s or LLC’s apportionment factors in the numerator and denominator of its apportionment factors.

Line-by-Line Instructions for Form 4B

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.

Part I - Nonapportionable Income (Loss)

■ **Line 1.** 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 2.** Enter any expenses that are directly or indirectly related to rents and royalties reported on line 1. Since such income is nonapportionable, the related expenses are nonapportionable.

■ **Line 4.** 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.

Also enter on line 4 all income that is realized from the sale of or purchase and subsequent sale or redemption of lottery prizes if the winning tickets were originally bought in **Wisconsin**. This income is nonapportionable and must be allocated to Wisconsin.

■ **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 from column b. Enter on Form 4T, line 6, the Wisconsin net nonapportionable unrelated business taxable income from column a.

Part II - Apportionment Percentage

■ **Box A.** Check the box if the exempt organization is a public utility, other than a telecommunications company. Fill in Part II, but equally weight the property, payroll, and sales factors. Check the box on Form 4T, line 4.

■ **Box B.** Check the box if the exempt organization is a telecommunications company. Fill in Part II, except lines 30 through 33. Include receipts from the use of computer software and services on line 34. Equally weight the property, payroll, and sales factors. Check the box on Form 4T, line 4.

■ **Box C.** Check the box if the exempt organization is a carline company. Fill in Part II. Check the box on Form 4T, line 4.

■ **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, or property used in producing nonapportionable unrelated business taxable income. Such property isn't used in the production of apportionable unrelated business taxable income and, therefore, 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 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 20.** 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 related 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.

Line-by-Line Instructions (continued)

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 21.** 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.

■ **Lines 26 through 35.** 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 26a and 26b 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 27a 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 27b 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 27c 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%.

Enter on line 28 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 30a gross receipts from the use of computer software that the purchaser or licensee uses at a location in Wisconsin. Computer software is used in Wisconsin if the purchaser or licensee uses the software in the regular course of business operations in Wisconsin, for personal use in Wisconsin, or if the purchaser or licensee is an individual whose domicile is in Wisconsin. If the purchaser or licensee uses the computer software in more than one state, the gross receipts are divided among those states having jurisdiction to impose an income tax on the taxpayer in proportion to the use of the computer software in those states. To determine computer software use in Wisconsin, the Department may consider the number of users in each state where the software is used, the number of site licenses or workstations in Wisconsin, and any other factors that reflect the use of computer software in Wisconsin.

Enter on line 30b gross receipts from the use of computer software if the taxpayer is not subject to income tax in the state in which the gross receipts are considered received, but the taxpayer’s commercial domicile is in Wisconsin. “Commercial domicile” means the location from which an unrelated trade or business is principally managed and directed, based on any factors the Department determines are appropriate, including the location where the greatest number of employees of the unrelated trade or business work, have their office or base of operations, or from which the employees are directed or controlled. These gross receipts are included in the numerator of the sales factor at 50%.

Enter on line 32a gross receipts from services if the purchaser of the service receives the benefit of the service in Wisconsin. The benefit of the service is received in Wisconsin if any of the following applies:

- The service relates to real property that is located in Wisconsin
- The service relates to tangible personal property that is located in Wisconsin at the time that the service is received or tangible personal property that is delivered directly or indirectly to customers in Wisconsin.
- The service is provided to an individual who is physically present in Wisconsin at the time that the service is received.
- The service is provided to a person engaged in a trade or business in Wisconsin and relates to that person’s business in Wisconsin.

If the purchaser of a service receives the benefit of the service in more than one state, the gross receipts from the service are included in the numerator of the sales factor according to the portion of the service received in Wisconsin.

Enter on line 32b gross receipts from services, if the taxpayer is not subject to income tax in the state in which the benefit of the service is received, to the extent that the taxpayer’s employees or representatives performed services from a location in Wisconsin. These gross receipts are included in the numerator of the sales factor at 50%.

Enter on line 34, for both Wisconsin and the total company, other gross receipts of apportionable unrelated business taxable income, that are includable in the sales factor.

These 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 performance in Wisconsin to the direct costs of performance in all states having jurisdiction to tax the business.

■ **Line 39.** Add lines 19, 25, and 38. Enter the resulting percentage here and on Form 4T line 4.

Where it is shown to the satisfaction of the Department that the use of any one of the three factors gives an unreasonable or inequitable final average ratio because the exempt organization does not employ the factor to any appreciable extent in its unrelated trade or business in producing the income taxed, this factor may, with the Department’s approval, be omitted in obtaining the final percentage which is to be applied to the apportionable unrelated business taxable income.

If both the numerator and the denominator of a factor are zero, the factor shall be eliminated from the apportionment formula. If the numerator of the sales factor is a negative number and the denominator is a positive number, a negative number, or zero, the sales factor is zero. If the numerator of the sales factor is a positive number and the denominator of the sales factor is zero or a negative number, the sales factor is one.

Form 4C – Separate Accounting Data

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, Mail Stop 5-144, 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. You may obtain Form 4C from any Department of Revenue office.

2005 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
			4,000	4,100	186	9,500	9,600	450	15,000	15,100	789	20,500	20,600	1,137
			4,100	4,200	191	9,600	9,700	456	15,100	15,200	795	20,600	20,700	1,143
			4,200	4,300	196	9,700	9,800	463	15,200	15,300	801	20,700	20,800	1,150
			4,300	4,400	200	9,800	9,900	469	15,300	15,400	807	20,800	20,900	1,156
			4,400	4,500	205	9,900	10,000	475	15,400	15,500	813	20,900	21,000	1,163
			4,500	4,600	209	10,000	10,100	481	15,500	15,600	819	21,000	21,100	1,169
			4,600	4,700	214	10,100	10,200	487	15,600	15,700	825	21,100	21,200	1,176
			4,700	4,800	219	10,200	10,300	493	15,700	15,800	832	21,200	21,300	1,182
			4,800	4,900	223	10,300	10,400	500	15,800	15,900	838	21,300	21,400	1,189
			4,900	5,000	228	10,400	10,500	506	15,900	16,000	844	21,400	21,500	1,195
			5,000	5,100	232	10,500	10,600	512	16,000	16,100	850	21,500	21,600	1,202
			5,100	5,200	237	10,600	10,700	518	16,100	16,200	856	21,600	21,700	1,208
			5,200	5,300	242	10,700	10,800	524	16,200	16,300	862	21,700	21,800	1,215
0	20	0	5,300	5,400	246	10,800	10,900	530	16,300	16,400	869	21,800	21,900	1,221
20	40	1	5,400	5,500	251	10,900	11,000	536	16,400	16,500	875	21,900	22,000	1,228
40	100	3	5,500	5,600	255	11,000	11,100	543	16,500	16,600	881	22,000	22,100	1,234
100	200	7	5,600	5,700	260	11,100	11,200	549	16,600	16,700	887	22,100	22,200	1,241
200	300	12	5,700	5,800	265	11,200	11,300	555	16,700	16,800	893	22,200	22,300	1,247
300	400	16	5,800	5,900	269	11,300	11,400	561	16,800	16,900	899	22,300	22,400	1,254
400	500	21	5,900	6,000	274	11,400	11,500	567	16,900	17,000	905	22,400	22,500	1,260
500	600	25	6,000	6,100	278	11,500	11,600	573	17,000	17,100	912	22,500	22,600	1,267
600	700	30	6,100	6,200	283	11,600	11,700	579	17,100	17,200	918	22,600	22,700	1,273
700	800	35	6,200	6,300	288	11,700	11,800	586	17,200	17,300	924	22,700	22,800	1,280
800	900	39	6,300	6,400	292	11,800	11,900	592	17,300	17,400	930	22,800	22,900	1,286
900	1,000	44	6,400	6,500	297	11,900	12,000	598	17,400	17,500	936	22,900	23,000	1,293
1,000	1,100	48	6,500	6,600	301	12,000	12,100	604	17,500	17,600	942	23,000	23,100	1,299
1,100	1,200	53	6,600	6,700	306	12,100	12,200	610	17,600	17,700	948	23,100	23,200	1,306
1,200	1,300	58	6,700	6,800	311	12,200	12,300	616	17,700	17,800	955	23,200	23,300	1,312
1,300	1,400	62	6,800	6,900	315	12,300	12,400	623	17,800	17,900	961	23,300	23,400	1,319
1,400	1,500	67	6,900	7,000	320	12,400	12,500	629	17,900	18,000	968	23,400	23,500	1,325
1,500	1,600	71	7,000	7,100	324	12,500	12,600	635	18,000	18,100	974	23,500	23,600	1,332
1,600	1,700	76	7,100	7,200	329	12,600	12,700	641	18,100	18,200	981	23,600	23,700	1,338
1,700	1,800	81	7,200	7,300	334	12,700	12,800	647	18,200	18,300	987	23,700	23,800	1,345
1,800	1,900	85	7,300	7,400	338	12,800	12,900	653	18,300	18,400	994	23,800	23,900	1,351
1,900	2,000	90	7,400	7,500	343	12,900	13,000	659	18,400	18,500	1,000	23,900	24,000	1,358
2,000	2,100	94	7,500	7,600	347	13,000	13,100	666	18,500	18,600	1,007	24,000	24,100	1,364
2,100	2,200	99	7,600	7,700	352	13,100	13,200	672	18,600	18,700	1,013	24,100	24,200	1,371
2,200	2,300	104	7,700	7,800	357	13,200	13,300	678	18,700	18,800	1,020	24,200	24,300	1,377
2,300	2,400	108	7,800	7,900	361	13,300	13,400	684	18,800	18,900	1,026	24,300	24,400	1,384
2,400	2,500	113	7,900	8,000	366	13,400	13,500	690	18,900	19,000	1,033	24,400	24,500	1,390
2,500	2,600	117	8,000	8,100	370	13,500	13,600	696	19,000	19,100	1,039	24,500	24,600	1,397
2,600	2,700	122	8,100	8,200	375	13,600	13,700	702	19,100	19,200	1,046	24,600	24,700	1,403
2,700	2,800	127	8,200	8,300	380	13,700	13,800	709	19,200	19,300	1,052	24,700	24,800	1,410
2,800	2,900	131	8,300	8,400	384	13,800	13,900	715	19,300	19,400	1,059	24,800	24,900	1,416
2,900	3,000	136	8,400	8,500	389	13,900	14,000	721	19,400	19,500	1,065	24,900	25,000	1,423
3,000	3,100	140	8,500	8,600	393	14,000	14,100	727	19,500	19,600	1,072	25,000	25,100	1,429
3,100	3,200	145	8,600	8,700	398	14,100	14,200	733	19,600	19,700	1,078	25,100	25,200	1,436
3,200	3,300	150	8,700	8,800	403	14,200	14,300	739	19,700	19,800	1,085	25,200	25,300	1,442
3,300	3,400	154	8,800	8,900	407	14,300	14,400	746	19,800	19,900	1,091	25,300	25,400	1,449
3,400	3,500	159	8,900	9,000	413	14,400	14,500	752	19,900	20,000	1,098	25,400	25,500	1,455
3,500	3,600	163	9,000	9,100	420	14,500	14,600	758	20,000	20,100	1,104	25,500	25,600	1,462
3,600	3,700	168	9,100	9,200	426	14,600	14,700	764	20,100	20,200	1,111	25,600	25,700	1,468
3,700	3,800	173	9,200	9,300	432	14,700	14,800	770	20,200	20,300	1,117	25,700	25,800	1,475
3,800	3,900	177	9,300	9,400	438	14,800	14,900	776	20,300	20,400	1,124	25,800	25,900	1,481
3,900	4,000	182	9,400	9,500	444	14,900	15,000	782	20,400	20,500	1,130	25,900	26,000	1,488

2005 Tax Table for Trusts (continued)

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
26,000	26,100	1,494	31,500	31,600	1,852	37,000	37,100	2,209	42,500	42,600	2,567	48,000	48,100	2,924
26,100	26,200	1,501	31,600	31,700	1,858	37,100	37,200	2,216	42,600	42,700	2,573	48,100	48,200	2,931
26,200	26,300	1,507	31,700	31,800	1,865	37,200	37,300	2,222	42,700	42,800	2,580	48,200	48,300	2,937
26,300	26,400	1,514	31,800	31,900	1,871	37,300	37,400	2,229	42,800	42,900	2,586	48,300	48,400	2,944
26,400	26,500	1,520	31,900	32,000	1,878	37,400	37,500	2,235	42,900	43,000	2,593	48,400	48,500	2,950
26,500	26,600	1,527	32,000	32,100	1,884	37,500	37,600	2,242	43,000	43,100	2,599	48,500	48,600	2,957
26,600	26,700	1,533	32,100	32,200	1,891	37,600	37,700	2,248	43,100	43,200	2,606	48,600	48,700	2,963
26,700	26,800	1,540	32,200	32,300	1,897	37,700	37,800	2,255	43,200	43,300	2,612	48,700	48,800	2,970
26,800	26,900	1,546	32,300	32,400	1,904	37,800	37,900	2,261	43,300	43,400	2,619	48,800	48,900	2,976
26,900	27,000	1,553	32,400	32,500	1,910	37,900	38,000	2,268	43,400	43,500	2,625	48,900	49,000	2,983
27,000	27,100	1,559	32,500	32,600	1,917	38,000	38,100	2,274	43,500	43,600	2,632	49,000	49,100	2,989
27,100	27,200	1,566	32,600	32,700	1,923	38,100	38,200	2,281	43,600	43,700	2,638	49,100	49,200	2,996
27,200	27,300	1,572	32,700	32,800	1,930	38,200	38,300	2,287	43,700	43,800	2,645	49,200	49,300	3,002
27,300	27,400	1,579	32,800	32,900	1,936	38,300	38,400	2,294	43,800	43,900	2,651	49,300	49,400	3,009
27,400	27,500	1,585	32,900	33,000	1,943	38,400	38,500	2,300	43,900	44,000	2,658	49,400	49,500	3,015
27,500	27,600	1,592	33,000	33,100	1,949	38,500	38,600	2,307	44,000	44,100	2,664	49,500	49,600	3,022
27,600	27,700	1,598	33,100	33,200	1,956	38,600	38,700	2,313	44,100	44,200	2,671	49,600	49,700	3,028
27,700	27,800	1,605	33,200	33,300	1,962	38,700	38,800	2,320	44,200	44,300	2,677	49,700	49,800	3,035
27,800	27,900	1,611	33,300	33,400	1,969	38,800	38,900	2,326	44,300	44,400	2,684	49,800	49,900	3,041
27,900	28,000	1,618	33,400	33,500	1,975	38,900	39,000	2,333	44,400	44,500	2,690	49,900	50,000	3,048
28,000	28,100	1,624	33,500	33,600	1,982	39,000	39,100	2,339	44,500	44,600	2,697	50,000	50,100	3,054
28,100	28,200	1,631	33,600	33,700	1,988	39,100	39,200	2,346	44,600	44,700	2,703	50,100	50,200	3,061
28,200	28,300	1,637	33,700	33,800	1,995	39,200	39,300	2,352	44,700	44,800	2,710	50,200	50,300	3,067
28,300	28,400	1,644	33,800	33,900	2,001	39,300	39,400	2,359	44,800	44,900	2,716	50,300	50,400	3,074
28,400	28,500	1,650	33,900	34,000	2,008	39,400	39,500	2,365	44,900	45,000	2,723	50,400	50,500	3,080
28,500	28,600	1,657	34,000	34,100	2,014	39,500	39,600	2,372	45,000	45,100	2,729	50,500	50,600	3,087
28,600	28,700	1,663	34,100	34,200	2,021	39,600	39,700	2,378	45,100	45,200	2,736	50,600	50,700	3,093
28,700	28,800	1,670	34,200	34,300	2,027	39,700	39,800	2,385	45,200	45,300	2,742	50,700	50,800	3,100
28,800	28,900	1,676	34,300	34,400	2,034	39,800	39,900	2,391	45,300	45,400	2,749	50,800	50,900	3,106
28,900	29,000	1,683	34,400	34,500	2,040	39,900	40,000	2,398	45,400	45,500	2,755	50,900	51,000	3,113
29,000	29,100	1,689	34,500	34,600	2,047	40,000	40,100	2,404	45,500	45,600	2,762	51,000	51,100	3,119
29,100	29,200	1,696	34,600	34,700	2,053	40,100	40,200	2,411	45,600	45,700	2,768	51,100	51,200	3,126
29,200	29,300	1,702	34,700	34,800	2,060	40,200	40,300	2,417	45,700	45,800	2,775	51,200	51,300	3,132
29,300	29,400	1,709	34,800	34,900	2,066	40,300	40,400	2,424	45,800	45,900	2,781	51,300	51,400	3,139
29,400	29,500	1,715	34,900	35,000	2,073	40,400	40,500	2,430	45,900	46,000	2,788	51,400	51,500	3,145
29,500	29,600	1,722	35,000	35,100	2,079	40,500	40,600	2,437	46,000	46,100	2,794	51,500	51,600	3,152
29,600	29,700	1,728	35,100	35,200	2,086	40,600	40,700	2,443	46,100	46,200	2,801	51,600	51,700	3,158
29,700	29,800	1,735	35,200	35,300	2,092	40,700	40,800	2,450	46,200	46,300	2,807	51,700	51,800	3,165
29,800	29,900	1,741	35,300	35,400	2,099	40,800	40,900	2,456	46,300	46,400	2,814	51,800	51,900	3,171
29,900	30,000	1,748	35,400	35,500	2,105	40,900	41,000	2,463	46,400	46,500	2,820	51,900	52,000	3,178
30,000	30,100	1,754	35,500	35,600	2,112	41,000	41,100	2,469	46,500	46,600	2,827	52,000	52,100	3,184
30,100	30,200	1,761	35,600	35,700	2,118	41,100	41,200	2,476	46,600	46,700	2,833	52,100	52,200	3,191
30,200	30,300	1,767	35,700	35,800	2,125	41,200	41,300	2,482	46,700	46,800	2,840	52,200	52,300	3,197
30,300	30,400	1,774	35,800	35,900	2,131	41,300	41,400	2,489	46,800	46,900	2,846	52,300	52,400	3,204
30,400	30,500	1,780	35,900	36,000	2,138	41,400	41,500	2,495	46,900	47,000	2,853	52,400	52,500	3,210
30,500	30,600	1,787	36,000	36,100	2,144	41,500	41,600	2,502	47,000	47,100	2,859	52,500	52,600	3,217
30,600	30,700	1,793	36,100	36,200	2,151	41,600	41,700	2,508	47,100	47,200	2,866	52,600	52,700	3,223
30,700	30,800	1,800	36,200	36,300	2,157	41,700	41,800	2,515	47,200	47,300	2,872	52,700	52,800	3,230
30,800	30,900	1,806	36,300	36,400	2,164	41,800	41,900	2,521	47,300	47,400	2,879	52,800	52,900	3,236
30,900	31,000	1,813	36,400	36,500	2,170	41,900	42,000	2,528	47,400	47,500	2,885	52,900	53,000	3,243
31,000	31,100	1,819	36,500	36,600	2,177	42,000	42,100	2,534	47,500	47,600	2,892	53,000	53,100	3,249
31,100	31,200	1,826	36,600	36,700	2,183	42,100	42,200	2,541	47,600	47,700	2,898	53,100	53,200	3,256
31,200	31,300	1,832	36,700	36,800	2,190	42,200	42,300	2,547	47,700	47,800	2,905	53,200	53,300	3,262
31,300	31,400	1,839	36,800	36,900	2,196	42,300	42,400	2,554	47,800	47,900	2,911	53,300	53,400	3,269
31,400	31,500	1,845	36,900	37,000	2,203	42,400	42,500	2,560	47,900	48,000	2,918	53,400	53,500	3,275

2005 Tax Table for Trusts (continued)

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
53,500	53,600	3,282	59,000	59,100	3,639	64,500	64,600	3,997	70,000	70,100	4,354	75,500	75,600	4,712
53,600	53,700	3,288	59,100	59,200	3,646	64,600	64,700	4,003	70,100	70,200	4,361	75,600	75,700	4,718
53,700	53,800	3,295	59,200	59,300	3,652	64,700	64,800	4,010	70,200	70,300	4,367	75,700	75,800	4,725
53,800	53,900	3,301	59,300	59,400	3,659	64,800	64,900	4,016	70,300	70,400	4,374	75,800	75,900	4,731
53,900	54,000	3,308	59,400	59,500	3,665	64,900	65,000	4,023	70,400	70,500	4,380	75,900	76,000	4,738
54,000	54,100	3,314	59,500	59,600	3,672	65,000	65,100	4,029	70,500	70,600	4,387	76,000	76,100	4,744
54,100	54,200	3,321	59,600	59,700	3,678	65,100	65,200	4,036	70,600	70,700	4,393	76,100	76,200	4,751
54,200	54,300	3,327	59,700	59,800	3,685	65,200	65,300	4,042	70,700	70,800	4,400	76,200	76,300	4,757
54,300	54,400	3,334	59,800	59,900	3,691	65,300	65,400	4,049	70,800	70,900	4,406	76,300	76,400	4,764
54,400	54,500	3,340	59,900	60,000	3,698	65,400	65,500	4,055	70,900	71,000	4,413	76,400	76,500	4,770
54,500	54,600	3,347	60,000	60,100	3,704	65,500	65,600	4,062	71,000	71,100	4,419	76,500	76,600	4,777
54,600	54,700	3,353	60,100	60,200	3,711	65,600	65,700	4,068	71,100	71,200	4,426	76,600	76,700	4,783
54,700	54,800	3,360	60,200	60,300	3,717	65,700	65,800	4,075	71,200	71,300	4,432	76,700	76,800	4,790
54,800	54,900	3,366	60,300	60,400	3,724	65,800	65,900	4,081	71,300	71,400	4,439	76,800	76,900	4,796
54,900	55,000	3,373	60,400	60,500	3,730	65,900	66,000	4,088	71,400	71,500	4,445	76,900	77,000	4,803
55,000	55,100	3,379	60,500	60,600	3,737	66,000	66,100	4,094	71,500	71,600	4,452	77,000	77,100	4,809
55,100	55,200	3,386	60,600	60,700	3,743	66,100	66,200	4,101	71,600	71,700	4,458	77,100	77,200	4,816
55,200	55,300	3,392	60,700	60,800	3,750	66,200	66,300	4,107	71,700	71,800	4,465	77,200	77,300	4,822
55,300	55,400	3,399	60,800	60,900	3,756	66,300	66,400	4,114	71,800	71,900	4,471	77,300	77,400	4,829
55,400	55,500	3,405	60,900	61,000	3,763	66,400	66,500	4,120	71,900	72,000	4,478	77,400	77,500	4,835
55,500	55,600	3,412	61,000	61,100	3,769	66,500	66,600	4,127	72,000	72,100	4,484	77,500	77,600	4,842
55,600	55,700	3,418	61,100	61,200	3,776	66,600	66,700	4,133	72,100	72,200	4,491	77,600	77,700	4,848
55,700	55,800	3,425	61,200	61,300	3,782	66,700	66,800	4,140	72,200	72,300	4,497	77,700	77,800	4,855
55,800	55,900	3,431	61,300	61,400	3,789	66,800	66,900	4,146	72,300	72,400	4,504	77,800	77,900	4,861
55,900	56,000	3,438	61,400	61,500	3,795	66,900	67,000	4,153	72,400	72,500	4,510	77,900	78,000	4,868
56,000	56,100	3,444	61,500	61,600	3,802	67,000	67,100	4,159	72,500	72,600	4,517	78,000	78,100	4,874
56,100	56,200	3,451	61,600	61,700	3,808	67,100	67,200	4,166	72,600	72,700	4,523	78,100	78,200	4,881
56,200	56,300	3,457	61,700	61,800	3,815	67,200	67,300	4,172	72,700	72,800	4,530	78,200	78,300	4,887
56,300	56,400	3,464	61,800	61,900	3,821	67,300	67,400	4,179	72,800	72,900	4,536	78,300	78,400	4,894
56,400	56,500	3,470	61,900	62,000	3,828	67,400	67,500	4,185	72,900	73,000	4,543	78,400	78,500	4,900
56,500	56,600	3,477	62,000	62,100	3,834	67,500	67,600	4,192	73,000	73,100	4,549	78,500	78,600	4,907
56,600	56,700	3,483	62,100	62,200	3,841	67,600	67,700	4,198	73,100	73,200	4,556	78,600	78,700	4,913
56,700	56,800	3,490	62,200	62,300	3,847	67,700	67,800	4,205	73,200	73,300	4,562	78,700	78,800	4,920
56,800	56,900	3,496	62,300	62,400	3,854	67,800	67,900	4,211	73,300	73,400	4,569	78,800	78,900	4,926
56,900	57,000	3,503	62,400	62,500	3,860	67,900	68,000	4,218	73,400	73,500	4,575	78,900	79,000	4,933
57,000	57,100	3,509	62,500	62,600	3,867	68,000	68,100	4,224	73,500	73,600	4,582	79,000	79,100	4,939
57,100	57,200	3,516	62,600	62,700	3,873	68,100	68,200	4,231	73,600	73,700	4,588	79,100	79,200	4,946
57,200	57,300	3,522	62,700	62,800	3,880	68,200	68,300	4,237	73,700	73,800	4,595	79,200	79,300	4,952
57,300	57,400	3,529	62,800	62,900	3,886	68,300	68,400	4,244	73,800	73,900	4,601	79,300	79,400	4,959
57,400	57,500	3,535	62,900	63,000	3,893	68,400	68,500	4,250	73,900	74,000	4,608	79,400	79,500	4,965
57,500	57,600	3,542	63,000	63,100	3,899	68,500	68,600	4,257	74,000	74,100	4,614	79,500	79,600	4,972
57,600	57,700	3,548	63,100	63,200	3,906	68,600	68,700	4,263	74,100	74,200	4,621	79,600	79,700	4,978
57,700	57,800	3,555	63,200	63,300	3,912	68,700	68,800	4,270	74,200	74,300	4,627	79,700	79,800	4,985
57,800	57,900	3,561	63,300	63,400	3,919	68,800	68,900	4,276	74,300	74,400	4,634	79,800	79,900	4,991
57,900	58,000	3,568	63,400	63,500	3,925	68,900	69,000	4,283	74,400	74,500	4,640	79,900	80,000	4,998
58,000	58,100	3,574	63,500	63,600	3,932	69,000	69,100	4,289	74,500	74,600	4,647	80,000	80,100	5,004
58,100	58,200	3,581	63,600	63,700	3,938	69,100	69,200	4,296	74,600	74,700	4,653	80,100	80,200	5,011
58,200	58,300	3,587	63,700	63,800	3,945	69,200	69,300	4,302	74,700	74,800	4,660	80,200	80,300	5,017
58,300	58,400	3,594	63,800	63,900	3,951	69,300	69,400	4,309	74,800	74,900	4,666	80,300	80,400	5,024
58,400	58,500	3,600	63,900	64,000	3,958	69,400	69,500	4,315	74,900	75,000	4,673	80,400	80,500	5,030
58,500	58,600	3,607	64,000	64,100	3,964	69,500	69,600	4,322	75,000	75,100	4,679	80,500	80,600	5,037
58,600	58,700	3,613	64,100	64,200	3,971	69,600	69,700	4,328	75,100	75,200	4,686	80,600	80,700	5,043
58,700	58,800	3,620	64,200	64,300	3,977	69,700	69,800	4,335	75,200	75,300	4,692	80,700	80,800	5,050
58,800	58,900	3,626	64,300	64,400	3,984	69,800	69,900	4,341	75,300	75,400	4,699	80,800	80,900	5,056
58,900	59,000	3,633	64,400	64,500	3,990	69,900	70,000	4,348	75,400	75,500	4,705	80,900	81,000	5,063

2005 Tax Table for Trusts (continued)

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
81,000	81,100	5,069	86,500	86,600	5,427	92,000	92,100	5,784	97,500	97,600	6,142
81,100	81,200	5,076	86,600	86,700	5,433	92,100	92,200	5,791	97,600	97,700	6,148
81,200	81,300	5,082	86,700	86,800	5,440	92,200	92,300	5,797	97,700	97,800	6,155
81,300	81,400	5,089	86,800	86,900	5,446	92,300	92,400	5,804	97,800	97,900	6,161
81,400	81,500	5,095	86,900	87,000	5,453	92,400	92,500	5,810	97,900	98,000	6,168
81,500	81,600	5,102	87,000	87,100	5,459	92,500	92,600	5,817	98,000	98,100	6,174
81,600	81,700	5,108	87,100	87,200	5,466	92,600	92,700	5,823	98,100	98,200	6,181
81,700	81,800	5,115	87,200	87,300	5,472	92,700	92,800	5,830	98,200	98,300	6,187
81,800	81,900	5,121	87,300	87,400	5,479	92,800	92,900	5,836	98,300	98,400	6,194
81,900	82,000	5,128	87,400	87,500	5,485	92,900	93,000	5,843	98,400	98,500	6,200
82,000	82,100	5,134	87,500	87,600	5,492	93,000	93,100	5,849	98,500	98,600	6,207
82,100	82,200	5,141	87,600	87,700	5,498	93,100	93,200	5,856	98,600	98,700	6,213
82,200	82,300	5,147	87,700	87,800	5,505	93,200	93,300	5,862	98,700	98,800	6,220
82,300	82,400	5,154	87,800	87,900	5,511	93,300	93,400	5,869	98,800	98,900	6,226
82,400	82,500	5,160	87,900	88,000	5,518	93,400	93,500	5,875	98,900	99,000	6,233
82,500	82,600	5,167	88,000	88,100	5,524	93,500	93,600	5,882	99,000	99,100	6,239
82,600	82,700	5,173	88,100	88,200	5,531	93,600	93,700	5,888	99,100	99,200	6,246
82,700	82,800	5,180	88,200	88,300	5,537	93,700	93,800	5,895	99,200	99,300	6,252
82,800	82,900	5,186	88,300	88,400	5,544	93,800	93,900	5,901	99,300	99,400	6,259
82,900	83,000	5,193	88,400	88,500	5,550	93,900	94,000	5,908	99,400	99,500	6,265
83,000	83,100	5,199	88,500	88,600	5,557	94,000	94,100	5,914	99,500	99,600	6,272
83,100	83,200	5,206	88,600	88,700	5,563	94,100	94,200	5,921	99,600	99,700	6,278
83,200	83,300	5,212	88,700	88,800	5,570	94,200	94,300	5,927	99,700	99,800	6,285
83,300	83,400	5,219	88,800	88,900	5,576	94,300	94,400	5,934	99,800	99,900	6,291
83,400	83,500	5,225	88,900	89,000	5,583	94,400	94,500	5,940	99,900	100,000	6,298
83,500	83,600	5,232	89,000	89,100	5,589	94,500	94,600	5,947	100,000 132,580 6,301 plus 6.50% of the amount over \$100,000 but less than \$132,580		
83,600	83,700	5,238	89,100	89,200	5,596	94,600	94,700	5,953			
83,700	83,800	5,245	89,200	89,300	5,602	94,700	94,800	5,960			
83,800	83,900	5,251	89,300	89,400	5,609	94,800	94,900	5,966			
83,900	84,000	5,258	89,400	89,500	5,615	94,900	95,000	5,973			
84,000	84,100	5,264	89,500	89,600	5,622	95,000	95,100	5,979	\$132,580 or more \$8,419 plus 6.75% of the amount over \$132,580		
84,100	84,200	5,271	89,600	89,700	5,628	95,100	95,200	5,986			
84,200	84,300	5,277	89,700	89,800	5,635	95,200	95,300	5,992			
84,300	84,400	5,284	89,800	89,900	5,641	95,300	95,400	5,999			
84,400	84,500	5,290	89,900	90,000	5,648	95,400	95,500	6,005			
84,500	84,600	5,297	90,000	90,100	5,654	95,500	95,600	6,012			
84,600	84,700	5,303	90,100	90,200	5,661	95,600	95,700	6,018			
84,700	84,800	5,310	90,200	90,300	5,667	95,700	95,800	6,025			
84,800	84,900	5,316	90,300	90,400	5,674	95,800	95,900	6,031			
84,900	85,000	5,323	90,400	90,500	5,680	95,900	96,000	6,038			
85,000	85,100	5,329	90,500	90,600	5,687	96,000	96,100	6,044			
85,100	85,200	5,336	90,600	90,700	5,693	96,100	96,200	6,051			
85,200	85,300	5,342	90,700	90,800	5,700	96,200	96,300	6,057			
85,300	85,400	5,349	90,800	90,900	5,706	96,300	96,400	6,064			
85,400	85,500	5,355	90,900	91,000	5,713	96,400	96,500	6,070			
85,500	85,600	5,362	91,000	91,100	5,719	96,500	96,600	6,077			
85,600	85,700	5,368	91,100	91,200	5,726	96,600	96,700	6,083			
85,700	85,800	5,375	91,200	91,300	5,732	96,700	96,800	6,090			
85,800	85,900	5,381	91,300	91,400	5,739	96,800	96,900	6,096			
85,900	86,000	5,388	91,400	91,500	5,745	96,900	97,000	6,103			
86,000	86,100	5,394	91,500	91,600	5,752	97,000	97,100	6,109			
86,100	86,200	5,401	91,600	91,700	5,758	97,100	97,200	6,116			
86,200	86,300	5,407	91,700	91,800	5,765	97,200	97,300	6,122			
86,300	86,400	5,414	91,800	91,900	5,771	97,300	97,400	6,129			
86,400	86,500	5,420	91,900	92,000	5,778	97,400	97,500	6,135			