

Wisconsin Exempt Organization Business Taxes Form 4T Instructions

New for 2008:

Related Entity Expenses

Taxpayers must make modifications to federal income for interest or rent expenses paid, accrued, or incurred to a related entity. See pages 3 and 9 for details of how this new law affects Form 4T filers.

Schedule RT

Taxpayers must file Wisconsin Schedule RT if the total of certain related party expenses exceeds \$100,000. See page 3 for details.

Schedule CR

If the organization is claiming any business tax credits, it must file Schedule CR with its Wisconsin return. Schedule CR has replaced Schedules C1 and C2.

Remember to file these with Form 4T:

- Any extension
- A copy of your federal return
- A list of solely owned LLCs
- Any other required forms or schedules, such as Schedule RT or Schedule CR



Do not staple attachments to your return. File electronically or use paper clips to submit these items.

Go Electronic!

Fast • Accurate • Secure

File Form 4T through the Federal/State E-Filing Program. With approved third party software, you can file Form 4T along with other Wisconsin and federal returns in a single filing. Or, you may use Federal/State E-Filing to file Form 4T separately. See *Filing Methods* on page 2 for details.

Visit us online at

www.revenue.wi.gov to...

- Obtain tax forms and instructions.
- Get answers to frequently asked questions (FAQs).
- Find out which third-party software you can use to file Form 4T electronically.
- Register for electronic funds transfer.
- Check out the *Wisconsin Tax Bulletin* quarterly newsletter.
- Read Department of Revenue publications which explain specific topics in detail.
- Register to receive e-mail news about new laws and procedures.
- Determine which e-mail address or telephone number to use to contact the Department about a specific question.

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.

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Appendix: Tax Table for Trusts

General Franchise or Income Tax Return Instructions

Who Must File

Organizations Required to File. The following exempt organizations are required to file a Wisconsin corporation franchise or income tax return:

- Organizations exempt from Wisconsin income taxation under sec. 71.26(1)(a) or 71.45(1), Wis. Stats., which satisfy, or which are the sole owner of limited liability companies (LLCs) that satisfy, all of the following:
 - Do business in Wisconsin,
 - Have at least \$1,000 of gross income from an unrelated trade or business for federal income tax purposes, and
 - Must file federal Form 990-T or 4720 to report such unrelated trade or business income.
- Trusts exempt from federal income tax under Internal Revenue Code (IRC) section 501(a), which satisfy all

of the following:

- Have income from Wisconsin sources, such as business transacted or property located in Wisconsin,
- Have at least \$1,000 of gross income from an unrelated trade or business for federal income tax purposes, and
- Must file federal Form 990-T or 4720.
- IRAs and MSAs described in IRC sections 408(a) and 220(d) which satisfy all of the following:
 - Have income from Wisconsin sources, such as business transacted or property located in Wisconsin,
 - Have at least \$1,000 of gross income from an unrelated trade or business for federal income tax purposes, and
 - Must file federal Form 990-T or 4720.

- 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.

Organizations Not Required to File. The following organizations are **not** required to file a Wisconsin corporation franchise or income tax return:

- 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 non-resident 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.

When and Where to File

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

Extensions. 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 file a copy of the fed-

eral extension with 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 file a copy of the federal extension with the Wisconsin return that you file.

Filing Methods. File electronically through the Federal/State E-Filing Program. For a list of software vendors participating in the Federal/State E-Filing Program, visit the Department of Revenue’s web page at www.revenue.wi.gov/eserv/corp/third.html.

Paper filing is also permitted. If you choose to file your return on paper, follow these mailing instructions carefully:

- **Do not fasten, staple or bind the pages of your return.** Use paper clips instead.
- If you are submitting multiple returns, separate them with **colored separator sheets**.
- Use the mailing address shown on the form.

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 2008 Wisconsin return must be filed by an exempt organization for calendar year 2008 or a fiscal year that begins in 2008. 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 to 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.

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

Accounting Methods and Elections

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 the exempt organization is subject to Wisconsin taxation must also be made for Wisconsin purposes, except in the last year that an exempt organization is subject to taxation by Wisconsin it must take into account all remaining adjustments required.

For the first taxable year for which the change applies, file with the Wisconsin return either a copy of the application for change in accounting method filed with the Internal Revenue Service and copy of the IRS's consent, if applicable, or an explanation of the change if the IRS's approval isn't required.

Elections. As explained above, an exempt organization 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.

Payment of Estimated Tax

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.

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.

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

Quick Refund. 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.

Disclosure of Related Entity Expenses and Reportable Transactions

An exempt organization may be required to separately disclose certain expenses paid, accrued, or incurred to a related entity. An exempt organization or its material advisor may also be required to separately disclose reportable transactions.

CAUTION: Wisconsin law provides that certain related entity expenses shall not be allowed as deductions if they are not timely disclosed as required by the Department of Revenue. Also, penalties may apply for failure to disclose reportable transactions to the Department.

Disclosure of Related Entity Expenses. If the exempt organization paid, accrued, or incurred more than \$100,000 of expenses to a related person or entity, the exempt organization must generally file Schedule RT, *Wisconsin Related Entity Expenses Disclosure Statement*, with its franchise or income tax return. **Note:** Schedule RT will not be accepted on an amended return after the extended due date

of the return. The Schedule RT instructions provide a detailed explanation of the filing requirements.

Organization's Disclosure of Reportable Transactions. If an exempt organization was required to file federal Form 8886, *Reportable Transaction Disclosure Statement*, with the Internal Revenue Service (IRS) and that form was required to be filed with the IRS after October 27, 2007, you must file a copy of Form 8886 with the Department of Revenue within 60 days of the date you are required to file it for federal income tax purposes. Send a paper copy of Form 8886, separate from your Form 4T, to the following address: Wisconsin Department of Revenue, Tax Shelters Program, P.O. Box 8958, Madison, WI 53708-8958.

See the instructions to federal Form 8886 to determine if you are required to file the form for federal purposes.

Material Advisor's Disclosure of Reportable Transactions. A "material advisor" means any person who provides any material aid, assistance, or advice with respect to organizing, managing, promoting, selling, implementing, insuring, or carrying out any reportable transaction (as defined in the U.S. Treasury Regulations) and who, directly or indirectly, derives gross income from providing such aid, assistance, or advice in an amount that exceeds the threshold amount.

For a material advisor providing advice to an entity and not an individual, the "threshold amount" is any of the following:

- \$25,000 if the reportable transaction is a listed transaction (as defined in the U.S. Treasury Regulations).
- \$250,000 if the reportable transaction is not a listed transaction.

For a material advisor providing advice to an individual, the "threshold amount" is any of the following:

- \$10,000 if the reportable transaction is a listed transaction (as defined in the U.S. Treasury Regulations).
- \$50,000 if the reportable transaction is not a listed transaction.

A material advisor that is required to disclose a reportable transaction to the IRS after October 27, 2007, must file a copy of the disclosure with the Department of Revenue within 60 days of the date it is required for federal income tax purposes, if the reportable transaction affects the taxpayer's Wisconsin income or franchise tax liability. For federal purposes, the form required for this disclosure is Form 8918.

If you are required to file Form 8918 for federal income tax purposes and the reportable transaction to which the form relates affects the taxpayer's Wisconsin income or franchise tax liability, send a paper copy, separate from the

Wisconsin return, to the following address: Wisconsin Department of Revenue, Tax Shelters Program, P.O. Box 8958, Madison, WI 53708-8958.

Internal Revenue Service Adjustments, Amended Returns, and Claims for Refund

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

Send a copy of the final federal audit reports and any associated amended 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, or a Wisconsin 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, put a check mark on the line next to item E on the front of the return, complete the return, and include an explanation of any changes made. Show computations in detail, including any applicable supplemental forms or schedules. Also show how you figured your refund or additional amount owed.

Where applicable, the line-by-line instructions in this booklet provide specific instructions for how to compute the amounts on an amended return.

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.

Claims for Refund. 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.

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*.

Information Returns

If an exempt organization pays \$600 or more in rents, royalties, or certain nonwage compensation to one or more individuals, the exempt organization must file an information return to report those payments. You may use Wisconsin Form 9b, *Miscellaneous Income*, or you may use federal Form 1099 instead of Form 9b. For more information, see the Form 9b instructions.

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 Wisconsin without payment of a 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, visit the Department's web site at www.revenue.wi.gov/html/sales.html, e-mail sales10@revenue.wi.gov, 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. Further, if you fail to disclose reportable transactions, you may be subject to the penalties described in sec. 71.81, Wis. Stats., including a \$30,000 penalty for failure to disclose a listed transaction.

Obtaining Forms and Assistance

If you need forms or publications, you may:

- Download them from the Department's Internet web site at www.revenue.wi.gov.
- Request them online at www.revenue.wi.gov.
- Call (608) 266-1961.
- Write to the Forms Request Office, Wisconsin Department of Revenue, Mail Stop 5-77, P.O. Box 8949, Madison, WI 53708-8949.
- Call or visit any Department of Revenue office.

If you need help in preparing Form 4T, you may:

- E-mail your question to corp@revenue.wi.gov.
- 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.

Conformity With Internal Revenue Code and Exceptions

The Wisconsin income and franchise tax law is based on the federal Internal Revenue Code (IRC). The IRC generally applies for Wisconsin purposes at the same time as for federal purposes. However, significant exceptions apply. These exceptions are discussed below.

Note: The exceptions listed below are those in effect as of the publication date of these instructions. It is possible that subsequent changes in Wisconsin law may eliminate some of these exceptions applicable to the organization’s 2008 return.

Amendments to Internal Revenue Code After December 19, 2006

Wisconsin has not adopted any amendments to the Internal Revenue Code enacted after December 31, 2006 nor any amendments to the IRC enacted by the final Act to amend the IRC in the year 2006 (P.L. 109-432, Tax Relief and Health Care Act). Thus, **Wisconsin has not adopted any amendments to the IRC enacted after December 19, 2006.**

Depreciation and Section 179 Expensing

If the exempt organization has depreciation deductions or section 179 expense deductions, it is very likely that the amount of deduction will be different for Wisconsin purposes than for federal purposes.

Depreciation or Amortization Provisions Enacted After December 31, 2000. For Wisconsin purposes, depreciation or amortization is determined under the provisions of the Internal Revenue Code in effect on December 31, 2000. For example, the following provisions do not apply for Wisconsin purposes because they were enacted after December 31, 2000:

- 30% bonus depreciation (sec. 101 of P.L. 107-147, sec. 201 of P.L. 108-27, sec. 403(a) of P.L. 108-311)
- 50% bonus depreciation (sec. 201 of P.L. 108-27)
- Accelerated depreciation for Indian reservation property (sec. 316 of P.L. 108-311)
- Modification of application of income forecast method of depreciation (sec. 242 of P.L. 108-357)
- Special expensing provisions for film and television productions (sec. 244 of P.L. 108-357)
- Special rules on depreciation for aircraft (sec. 336 of P.L. 108-357)
- Expansion of limitation on depreciation of certain passenger automobiles (sec. 910 of P.L. 108-357)

- Treatment of electric transmission property as 15-year property (sec. 1308 of P.L. 109-58)
- Expansion of amortization for certain atmospheric pollution control facilities (sec. 1309 of P.L. 109-58)
- Special expensing provisions for equipment used in refining liquid fuels (sec. 1323 of P.L. 109-58)
- Natural gas distribution lines treated as 15-year property (sec. 1325 of P.L. 109-58)
- Natural gas gathering lines treated as 7-year property (sec. 1326 of P.L. 109-58)
- Special rules for amortization of geological and geophysical expenditures (sec. 1329 of P.L. 109-58, sec. 503 of P.L. 109-222)
- Election to amortize musical works and copyrights over a 5-year period (sec. 207 of P.L. 109-222)

Section 179 Expense Limitations. For Wisconsin purposes, the allowable amount of section 179 expense depends on whether the property is used in farming by a person actively engaged in farming. In either case, different maximum amounts and phaseout thresholds apply for Wisconsin purposes than for federal purposes. Additionally, off-the-shelf computer software is not considered qualifying property for Wisconsin purposes, although it is qualifying property for federal purposes.

In general, the maximum section 179 expense and phaseout threshold amounts for taxable years beginning in 2008 are as follows:

Section 179 Property in General		
	Wisconsin Law	Federal Law
Maximum Section 179 Expense	\$25,000	\$250,000
Phaseout Threshold (Amt. of qualifying property)	\$200,000	\$800,000

For property used in farming by a person actively engaged in farming, the maximum section 179 expense and phaseout threshold amounts for taxable years beginning in 2008 are as follows:

Section 179 Property Used in Farming by a Person Actively Engaged in Farming		
	Wisconsin Law	Federal Law
Maximum Section 179 Expense	\$115,000	\$250,000
Phaseout Threshold (Amt. of qualifying property)	\$460,000	\$800,000

For purposes of Wisconsin section 179 expense, “farming” has the meaning given in section 464(e)(1) of the IRC and

“actively engaged in farming” has the meaning given in 7 CFR 1400.201.

Other Exceptions to Internal Revenue Code

The following federal provisions in effect as of December 19, 2006 are specifically excluded for Wisconsin franchise and income tax purposes:

Small Business Stock. For federal purposes, an exclusion is allowed for 50% of the gain from the sale or exchange of qualified small business stock issued after August 10, 1993 and held for more than 5 years (sec. 13113 of P.L. 103-66). For Wisconsin purposes, this section does not apply.

Installment Method for Accrual Basis Taxpayers. For federal purposes, accrual basis taxpayers may report income from an installment sale under the installment method (P.L. 106-573). For Wisconsin purposes, accrual basis taxpayers cannot use the installment method. Gain from the sale of property must be recognized in the year of the sale. This does not apply to dispositions of property used or produced in farming or for certain dispositions of timeshares or residential lots.

Health Savings Accounts. For federal purposes, certain individuals may establish health savings accounts. A deduction is allowed for contributions to the account. Amounts contributed by an employer to an employee’s account are excluded from the employee’s gross income. (P.L. 108-173, P.L. 109-432). For Wisconsin purposes, the health savings accounts provisions do not apply.

Other Provisions Not Adopted for Wisconsin Purposes.

- Exclusion for extraterritorial income (sec. 1, 3, 4, and 5 of P.L. 106-519), repeal of such exclusion (sec. 101 of P.L. 108-357), and binding-contract relief provisions (sec. 513 of P.L. 109-222) (Note: Foreign sales corporation (FSC) treatment is repealed for Wisconsin purposes for taxable years beginning on or after January 1, 2005.)
- Special expensing provisions for environmental remediation costs and extension of the termination date (sec. 162 of P.L. 106-554, enacted December 21, 2000; sec.

308 of P.L. 108-311)

- Election to defer gain on disposition of transmission property to implement Federal Regulatory Commission or state electric restructuring (sec. 909 of P.L. 108-357, sec. 1305 of P.L. 109-58)
- Enhanced deduction for corporate donations of computer technology and extension of the termination date (sec. 165 of P.L. 106-554, sec. 306 of P.L. 108-311)
- Tax benefits for Gulf Opportunity (GO) Zones (sec. 101 of P.L. 109-135)
- Exceptions to imputed interest rules for loans to continuing care facilities (sec. 209 of P.L. 109-222)
- Special temporary dividends received deduction for re-investing foreign earnings in the U.S. (sec. 422 of P.L. 108-357)
- Reform of tax treatment of certain leasing arrangements (sec. 847 of P.L. 108-357)
- Special rules for nuclear decommissioning costs (sec. 1310 of P.L. 109-58)
- Pass-through of deduction for costs incurred by small refiner cooperatives to comply with EPA sulfur regulations (sec. 1324 of P.L. 109-58)
- Expansion of research credit (sec. 1351 of P.L. 109-58)
- Special tax treatment of state ownership of railroad real estate investment trust (sec. 11146 of P.L. 109-59)
- All provisions of P.L. 109-432, Tax Relief and Health Care Act of 2006, enacted December 20, 2006, in addition to **any other amendments to the IRC enacted after December 19, 2006.**

Accounting for Differences

Adjustments may be necessary to account for differences between federal and Wisconsin taxable income because of the items described above. Exempt organizations taxable as trusts show these adjustments on Schedule T1 and Schedule T2. Exempt organizations taxable as corporations recompute their federal unrelated business taxable income reported on line 1 of Form 4T. See the instructions for line 1 for details.

Line-by-Line Instructions for Form 4T

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, use separate sheets using the same size and format as the printed forms.

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.

Caution: Federal line numbers referred to on Form 4T and in these instructions may change.

Items A Through I

Before completing items A through I, fill in the exempt organization's 2008 taxable year at the top of the form and the organization's name and address. If the organization dissolved, enter the date of dissolution as the ending date of the 2008 taxable year.

■ **Item 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 at (800) 829-4933, or applying online at www.irs.gov.

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

■ **Item C. State and Year of Organization** – Enter the 2-letter postal abbreviation for the state (or name of the foreign country) under whose laws the organization was formed and the year of formation.

■ **Item D. First Return, Final Return, Short Period – Change in Accounting Period, and Short Period – Stock Purchase or Sale** – Check the line for "First return" if this is the first year that you are filing a Wisconsin return because the organization wasn't in existence or didn't do business in Wisconsin in prior years. Check the line for "Final return" if the organization ceased to exist or withdrew from Wisconsin during the year. Check the applicable line if a short period return is being filed due to a change in the organization's accounting period or a stock purchase or sale.

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

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

■ **Item G. Schedule RT Required** – Check here if the exempt organization is filing Schedule RT, *Wisconsin Related Entity Expenses Disclosure Statement*, with its return. Schedule RT is generally required if the exempt organization pays, accrues, or incurs more than \$100,000 of expenses to a related person or entity in the taxable year. See the Schedule RT instructions for details of the requirement to file Schedule RT.

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

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

NOTE: Lines 1 through 10 are only for exempt organizations taxable as corporations. Exempt organizations taxable as trusts must skip lines 1 through 10 and begin on line 11.

Lines 1 Through 10 (For Corporations Only)

■ **Line 1: Federal Unrelated Business Taxable Income** – 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.

If any changes to the Internal Revenue Code or depreciation or amortization 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 amount on Form 4T, line 1, and include a schedule with Form 4T showing your computation of line 1.

■ **Lines 2 through 7. Apportionment Data** – If using the apportionment method, complete Wisconsin Form 4B or

4B-1 and enter the amounts requested. See the instructions for Form 4B included in this booklet. If using the separate accounting method, don't complete lines 2 through 6. Instead, see the instructions for Separate Accounting Data on page 16 and enter the Wisconsin unrelated business taxable income 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** – Enter any nonrefundable credits the exempt organization is claiming from Schedule CR, line 33. However, you may not offset these credits against the recycling surcharge. If you are claiming more than one credit, you must claim the credits in a specific order. To receive any credits, the taxpayer must submit the appropriate credit computation schedules. See the Schedule CR instructions for details.

To determine if the organization qualifies for any credits, see Publication 123, *Business Tax Credits for 2008*, which is available on the Department of Revenue's web site at www.revenue.wi.gov/html/taxpubs.html#business.

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

Lines 11 Through 20 (For Trusts Only)

■ **Line 11. Federal Unrelated Business Taxable Income** – Enter the amount from federal Form 990-T, line 34. Or, if the trust is required to file Form 4720, enter the amount of federal unrelated business taxable income as computed in the supporting schedules to Form 4720. The amount on line 11 should be after applying the net operating loss deduction and special deductions.

CAUTION: If any changes to the Internal Revenue Code or differences described earlier affect the computation of federal unrelated business taxable income but don't apply for Wisconsin purposes, account for the differences on Schedules T1 and T2.

■ **Line 12. Trust 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 on page 3 and enter the total. Specific instructions for how to complete Schedule T1 follow:

■ **Line 1. Interest Income** – 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. Enter only the state or municipal interest that is considered unrelated business taxable income.

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

■ **Line 3. – Capital Gains and Losses** – 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. – Net Operating Loss Carryover** – Enter the amount of any federal net operating loss carryover.

■ **Lines 5 and 6. Related Entity Interest and Rental Expenses** – For taxable years beginning on or after January 1, 2008, an exempt organization taxable as a trust must make an addition modification to “add back” interest and rental expenses paid, accrued, or incurred to a related entity if those expenses are deducted from federal unrelated business taxable income. These expenses must generally also be disclosed on Schedule RT. See the Schedule RT instructions for further details of expenses required to be disclosed on Schedule RT and added back to income on Schedule T1.

After the trust makes this addition modification, the trust uses Part II of Schedule RT to determine if it is eligible for a deduction for any of the amount added back. The trust then makes a subtraction modification on Schedule T2 in the amount it is eligible to deduct.

If the trust is a partner, member, beneficiary, or shareholder of a pass-through entity, also include the amount of modification included on lines 21a and 21b of Schedule 3K-1; lines 14a and 14b of Schedule 2K-1; and lines 18a and 18b of Schedule 5K-1, as applicable.

■ **Line 7. Transitional Adjustments** – 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). Include a schedule showing the computation of each transitional adjustment made.

■ **Line 8. Credits Includable in Income** – For certain credits, you must include the credit amount in your income. Enter on line 8 the total of the following credit amounts, if applicable:

Credit	Amount Includable in Income
Dairy and Livestock Farm Investment Credit	Schedule DI, line 7
Film Production Credits	Schedule FP, lines 6, 10, and 16
Manufacturing Investment Credit	Schedule MI, line 4
Health Insurance Risk-Sharing Plan Assessments Credit	Schedule HI, line 4
Ethanol and Biodiesel Fuel Pump Credit	Schedule EB, line 5
Development Zones Credits	Schedule DC, lines 5, 13, and 21
Technology Zone Credit	Schedule TC, line 6
Internet Equipment Credit	Schedule IE, line 3
Farmland Preservation Credit	Schedule FC, line 18
Farmland Tax Relief Credit	Schedule FT, line 6
Enterprise Zone Jobs Credit	Schedule EC, line 16
Dairy Manufacturing Facility Investment Credit	Schedule DM, line 7

■ **Line 9. Other Additions** – Enter any other amount subject to Wisconsin taxation, less any expense 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. Trust 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 purposes. Complete Schedule T2 on page 3 and enter the total. Specific instructions for how to complete Schedule T2 follow:

■ **Line 1. Interest Income** – 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. Capital Gains and Losses** – 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. Net Operating Loss Carryforward** – 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.

■ **Lines 4 and 5. Related Entity Interest and Rental Expenses** – For taxable years beginning on or after January 1, 2008, an exempt organization taxable as a trust must make an addition modification to "add back" interest and rental expenses paid, accrued, or incurred to a related entity if that interest was deducted from federal unrelated business taxable income. The "addback" is reported on Schedule T1, lines 4 and 5. After the exempt organization makes this addition modification, it completes Part II of Schedule RT to determine if it is eligible for a deduction for any of the amount added back. The exempt organization then makes a subtraction modification on Schedule T2, lines 4 and 5, for the amount it is eligible to deduct. See the Schedule RT instructions for details of the conditions necessary to claim this subtraction.

If the exempt organization is a partner, member, beneficiary, or shareholder of a pass-through entity, also include the amount of modification included on lines 21c and 21d of Schedule 3K-1, lines 14c and 14d of Schedule 2K-1, and lines 18c and 18d of Schedule 5K-1, as applicable.

■ **Line 6. Transitional Adjustments** – 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). Include a schedule showing the computation of each transitional adjustment.

■ **Line 7. Other Subtractions** – 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). Include on line 6 any trust income that was included in federal unrelated business taxable income but not sourced to Wisconsin.

■ **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 17.

■ **Line 17. Nonrefundable Credits** – Enter any nonrefundable credits the exempt organization is claiming from Schedule CR, line 11. However, you may not offset these credits against the recycling surcharge. If you are claiming more than one credit, you must claim the credits in a specific order. To receive any credits, the taxpayer must submit the appropriate credit computation schedules. See the

Schedule CR instructions for details.

To determine if the organization qualifies for any credits, see Publication 123, *Business Tax Credits for 2008*, which is available on the Department of Revenue’s web site at www.revenue.wi.gov/html/taxpubs.html#business.

■ **Line 18. 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.

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

Lines 22 Through 36

■ **Line 22. Recycling Surcharge** – Figure the surcharge as explained below. For further information, see Publication 400, *Wisconsin’s Recycling Surcharge*.

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.

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 23. Endangered Resources Donation** – (For 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 23 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 24. 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 24 with the amount you wish to donate. Your donation will either reduce your refund or be added to tax due.

■ **Line 26. Estimated Tax Payments** – Enter estimated tax payments made or overpayments applied from prior years’ returns. Subtract any “quick refund” applied for on Form 4466W. If this is an amended return, use the worksheet below to determine the amount to enter on line 26.

Line 26 for Amended Returns

Estimated tax payments made for 2008.....	\$ _____
<i>Plus:</i>	
Tax carried forward from 2007.....	\$ _____
Additional tax paid on previous returns filed for 2008.....	\$ _____
Additional tax assessed by the Department for 2008 (whether or not paid).....	\$ _____
Subtotal.....	\$ _____
<i>Minus:</i>	
Tax refunded on 2008 Form 4466W.....	\$ _____
Tax refunded to you on previous returns filed for 2008.....	\$ _____
Overpayment from your previously filed 2008 return claimed on your 2009 return, if you already filed your 2009 return.....	\$ _____
Tax previously paid to enter on line 26.....	\$ _____

■ **Line 27. Wisconsin Tax Withheld** – Enter your share of Wisconsin tax withheld from pass-through entities of which you are a member, as reported on Wisconsin Schedules 3K-1, 2K-1, or 5K-1. Include a copy of the Schedule 3K-1, 2K-1, or 5K-1 with the tax return that you file. Also enter the amount of Wisconsin tax withheld from lottery prizes.

If this is an amended return, enter the Wisconsin tax withheld reported on your original return, unless the amount you originally reported was incorrect.

■ **Line 28. Refundable Credits** – Enter any refundable credits the exempt organization is claiming from Schedule CR, line 15 (for organizations taxable as trusts) or line 37 (for organizations taxable as corporations). To determine if the organization qualifies for any credits, see Publication 123, *Business Tax Credits for 2008* (available at www.revenue.wi.gov/html/taxpubs.html#business). To claim a credit, complete the appropriate credit schedule as in-

structured by Publication 123, enter the credit amount on the appropriate line of Schedule CR, and submit the credit schedule and Schedule CR with your return.

■ **Line 30. Interest, Penalty, and Late Fee Due** – Enter any interest, penalty, and late fee due from Form 4U, line 17 or 26. Check the designated line if you figured underpayment interest using the annualized income installment method on Form 4U, page 2.

If you are filing an amended return and you were previously assessed interest for underpayment of estimated taxes, complete an amended Form 4U, Part I, based on the total of the amounts shown on lines 21 and 22. Enter the difference between the underpayment interest from the amended Form 4U, line 17, and the amount you previously paid on line 30. Show an overpayment as a negative number. File Form 4U with your amended return. Otherwise, leave line 30 blank. The Department will compute interest on the amount of refund approved or tax owed.

■ **Line 31. Tax Due** – If the total of lines 25 and 30 is larger than line 29, enter the amount owed. Pay by electronic funds transfer or mail your check with a 2008 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 32. Overpayment** – If line 29 is larger than the total of lines 25 and 30, enter the overpayment.

NOTE: If you must recapture development zones investment credit because the property is disposed of or ceases to be qualified property before the end of the recapture period, add the amount from Schedule DC, line 34, to the tax due on line 31 or reduce the overpayment on line 32.

■ **Line 33. 2009 Estimated Tax** – Enter the amount of any overpayment from line 32 that is to be credited to the organization's 2009 estimated tax. The balance of any overpayment will be refunded.

If this is an amended return and you have already filed your 2009 return, enter the overpayment that you claimed as a credit on your 2009 return from your previously filed original or amended 2008 return. Otherwise, you may allocate the overpayment from line 32 between line 33 and line 34 as you choose.

■ **Line 35. 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.

■ **Line 36. Total From Schedule RT** – If the organization is taxable as a trust and reports more than \$100,000 of expenses on its return which are amounts paid, accrued, or incurred to a related person or entity, the organization must generally file Schedule RT, *Related Entity Expenses Disclosure Statement* with its return. On line 36, enter the total amount of expenses disclosed on Schedule RT. See the Schedule RT instructions for details of the Schedule RT filing requirements.

Additional Information, Signatures, and Supplemental Schedules

■ **Additional Information Required** – Answer the questions given in items 1 through 6.

■ **Signatures** – An officer or trustee of the exempt organization must sign the form at the bottom of page 2. If the return is prepared by someone other than an employee of the exempt organization, the individual who prepared the return must sign the form, by hand, in the space provided for the preparer's signature and furnish the preparing firm's federal employer identification number. A self-employed individual must enter “SSN” and his or her social security number in the space for the preparer's federal employer identification number.

■ **Supplemental Schedules** – File the following items as supplemental schedules to your Form 4T:

- Your federal Form 990-T or 4720 with all supporting schedules.
- A list of your solely owned LLCs.
- Any extension of time to file your return.
- Supporting schedules for Form 4T (supporting schedules that are not Department-prescribed forms may be submitted as .pdf documents with electronic returns).

If you are filing Form 4T on paper, **do not staple, fasten or bind these supplemental schedules to your return. Use paper clips instead.**

Wisconsin Income of Multistate Organizations (Forms 4B, 4B-1, and 4C)

Who Must Use 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.

An exempt organization engaged in unrelated trade or business activities in and outside Wisconsin is required to report a portion of its total 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.

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.

To use the apportionment method, an exempt organization must have business activity sufficient to create nexus in Wisconsin and at least one other state or foreign country. "Nexus" means that an exempt organization's 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 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 the Apportionment Percentage

For unitary, multistate businesses (except direct air carriers, motor carriers, railroads, sleeping car companies, pipeline companies, financial institutions, brokers-dealers, investment advisers, investment companies, underwriters, and telecommunications companies whose incomes are apportioned by special rules of the Department), the apportionment percentage is determined by the ratio of Wisconsin sales to total company sales.

For most companies, the apportionment percentage is

computed on Form 4B. However, direct air carriers, motor carriers, railroads, sleeping car companies, pipeline companies, financial institutions, brokers-dealers, investment advisers, investment companies, underwriters, and telecommunications companies should see Form 4B-1 and its instructions.

What Is Nonapportionable Unrelated Business Taxable Income

Nonapportionable 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. 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.

Except for income from lottery prizes described above, the intangible income of a personal holding company is nonapportionable and is assigned to the state of incorporation.

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

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. The exempt corporation should request a detailed breakdown of the partnership's or LLC's items and amounts to be included in the computation 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.

■ **Line 1.** Enter rents and royalties received on nonbusiness real and 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 real and 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 income or loss for both Wisconsin and the total company.

Part II – Apportionment Percentage.

For purposes of the sales factor, sales include, but aren't limited to, the following items related to the production of apportionable 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 member's share of a limited liability company's gross receipts or a partner's share of a partnership'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.

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 business 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 net 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 income.

■ **Lines 1a and 1b.** Enter the amounts of Wisconsin destination sales. Gross receipts from the sales of tangible per-

sonal 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.

■ **Line 2a.** Enter the amount of 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.

■ **Line 2b.** Enter the amount of 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%.

■ **Line 2c.** Enter the amount of 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%.

■ **Line 3.** Enter the amount of "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 United States territory or possession. A foreign country isn't a state.

■ **Line 5a.** Enter the amount of 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.

■ **Line 5b.** Enter the amount of 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 a 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 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%.

■ **Line 7a.** Enter the amount of gross receipts from services if the purchaser of the service received 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.

■ **Line 7b.** Enter the amount of 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%.

■ **Line 9.** For both Wisconsin and the total company, enter the amount of other gross receipts of apportionable 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. For additional information, see section Tax 2.39, Wisconsin Administrative Code.

■ **Line 11.** Divide line 10, column a, by line 10, column b, and multiply that amount by 100. Carry the result to 4 places to the right of the decimal point. Enter the percentage here and on Form 4T, page 1, line 4.

Separate Accounting

An exempt organization engaged in a nonunitary business in and outside Wisconsin must determine the amount of income attributable to Wisconsin by separate accounting. The exempt organization uses Form 4C, *Separate Accounting Data*, to report the amount 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. Under separate accounting, the exempt organization must keep separate records of the sales, cost of sales, and expenses for the Wisconsin business.

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 net 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.

2008 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	439	15,000	15,100	775	20,500	20,600	1,118
			4,100	4,200	191	9,600	9,700	444	15,100	15,200	781	20,600	20,700	1,124
			4,200	4,300	196	9,700	9,800	449	15,200	15,300	788	20,700	20,800	1,131
			4,300	4,400	200	9,800	9,900	455	15,300	15,400	794	20,800	20,900	1,137
			4,400	4,500	205	9,900	10,000	462	15,400	15,500	800	20,900	21,000	1,144
			4,500	4,600	209	10,000	10,100	468	15,500	15,600	806	21,000	21,100	1,150
			4,600	4,700	214	10,100	10,200	474	15,600	15,700	812	21,100	21,200	1,157
			4,700	4,800	219	10,200	10,300	480	15,700	15,800	818	21,200	21,300	1,163
			4,800	4,900	223	10,300	10,400	486	15,800	15,900	824	21,300	21,400	1,170
			4,900	5,000	228	10,400	10,500	492	15,900	16,000	831	21,400	21,500	1,176
			5,000	5,100	232	10,500	10,600	498	16,000	16,100	837	21,500	21,600	1,183
			5,100	5,200	237	10,600	10,700	505	16,100	16,200	843	21,600	21,700	1,189
			5,200	5,300	242	10,700	10,800	511	16,200	16,300	849	21,700	21,800	1,196
0	20	0	5,300	5,400	246	10,800	10,900	517	16,300	16,400	855	21,800	21,900	1,202
20	40	1	5,400	5,500	251	10,900	11,000	523	16,400	16,500	861	21,900	22,000	1,209
40	100	3	5,500	5,600	255	11,000	11,100	529	16,500	16,600	867	22,000	22,100	1,215
100	200	7	5,600	5,700	260	11,100	11,200	535	16,600	16,700	874	22,100	22,200	1,222
200	300	12	5,700	5,800	265	11,200	11,300	542	16,700	16,800	880	22,200	22,300	1,228
300	400	16	5,800	5,900	269	11,300	11,400	548	16,800	16,900	886	22,300	22,400	1,235
400	500	21	5,900	6,000	274	11,400	11,500	554	16,900	17,000	892	22,400	22,500	1,241
500	600	25	6,000	6,100	278	11,500	11,600	560	17,000	17,100	898	22,500	22,600	1,248
600	700	30	6,100	6,200	283	11,600	11,700	566	17,100	17,200	904	22,600	22,700	1,254
700	800	35	6,200	6,300	288	11,700	11,800	572	17,200	17,300	911	22,700	22,800	1,261
800	900	39	6,300	6,400	292	11,800	11,900	578	17,300	17,400	917	22,800	22,900	1,267
900	1,000	44	6,400	6,500	297	11,900	12,000	585	17,400	17,500	923	22,900	23,000	1,274
1,000	1,100	48	6,500	6,600	301	12,000	12,100	591	17,500	17,600	929	23,000	23,100	1,280
1,100	1,200	53	6,600	6,700	306	12,100	12,200	597	17,600	17,700	935	23,100	23,200	1,287
1,200	1,300	58	6,700	6,800	311	12,200	12,300	603	17,700	17,800	941	23,200	23,300	1,293
1,300	1,400	62	6,800	6,900	315	12,300	12,400	609	17,800	17,900	947	23,300	23,400	1,300
1,400	1,500	67	6,900	7,000	320	12,400	12,500	615	17,900	18,000	954	23,400	23,500	1,306
1,500	1,600	71	7,000	7,100	324	12,500	12,600	621	18,000	18,100	960	23,500	23,600	1,313
1,600	1,700	76	7,100	7,200	329	12,600	12,700	628	18,100	18,200	966	23,600	23,700	1,319
1,700	1,800	81	7,200	7,300	334	12,700	12,800	634	18,200	18,300	972	23,700	23,800	1,326
1,800	1,900	85	7,300	7,400	338	12,800	12,900	640	18,300	18,400	978	23,800	23,900	1,332
1,900	2,000	90	7,400	7,500	343	12,900	13,000	646	18,400	18,500	984	23,900	24,000	1,339
2,000	2,100	94	7,500	7,600	347	13,000	13,100	652	18,500	18,600	990	24,000	24,100	1,345
2,100	2,200	99	7,600	7,700	352	13,100	13,200	658	18,600	18,700	997	24,100	24,200	1,352
2,200	2,300	104	7,700	7,800	357	13,200	13,300	665	18,700	18,800	1,003	24,200	24,300	1,358
2,300	2,400	108	7,800	7,900	361	13,300	13,400	671	18,800	18,900	1,009	24,300	24,400	1,365
2,400	2,500	113	7,900	8,000	366	13,400	13,500	677	18,900	19,000	1,015	24,400	24,500	1,371
2,500	2,600	117	8,000	8,100	370	13,500	13,600	683	19,000	19,100	1,021	24,500	24,600	1,378
2,600	2,700	122	8,100	8,200	375	13,600	13,700	689	19,100	19,200	1,027	24,600	24,700	1,384
2,700	2,800	127	8,200	8,300	380	13,700	13,800	695	19,200	19,300	1,034	24,700	24,800	1,391
2,800	2,900	131	8,300	8,400	384	13,800	13,900	701	19,300	19,400	1,040	24,800	24,900	1,397
2,900	3,000	136	8,400	8,500	389	13,900	14,000	708	19,400	19,500	1,046	24,900	25,000	1,404
3,000	3,100	140	8,500	8,600	393	14,000	14,100	714	19,500	19,600	1,053	25,000	25,100	1,410
3,100	3,200	145	8,600	8,700	398	14,100	14,200	720	19,600	19,700	1,059	25,100	25,200	1,417
3,200	3,300	150	8,700	8,800	403	14,200	14,300	726	19,700	19,800	1,066	25,200	25,300	1,423
3,300	3,400	154	8,800	8,900	407	14,300	14,400	732	19,800	19,900	1,072	25,300	25,400	1,430
3,400	3,500	159	8,900	9,000	412	14,400	14,500	738	19,900	20,000	1,079	25,400	25,500	1,436
3,500	3,600	163	9,000	9,100	416	14,500	14,600	744	20,000	20,100	1,085	25,500	25,600	1,443
3,600	3,700	168	9,100	9,200	421	14,600	14,700	751	20,100	20,200	1,092	25,600	25,700	1,449
3,700	3,800	173	9,200	9,300	426	14,700	14,800	757	20,200	20,300	1,098	25,700	25,800	1,456
3,800	3,900	177	9,300	9,400	430	14,800	14,900	763	20,300	20,400	1,105	25,800	25,900	1,462
3,900	4,000	182	9,400	9,500	435	14,900	15,000	769	20,400	20,500	1,111	25,900	26,000	1,469

2008 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	1,475	31,500	31,600	1,833	37,000	37,100	2,190	42,500	42,600	2,548	48,000	48,100	2,905
26,100	26,200	1,482	31,600	31,700	1,839	37,100	37,200	2,197	42,600	42,700	2,554	48,100	48,200	2,912
26,200	26,300	1,488	31,700	31,800	1,846	37,200	37,300	2,203	42,700	42,800	2,561	48,200	48,300	2,918
26,300	26,400	1,495	31,800	31,900	1,852	37,300	37,400	2,210	42,800	42,900	2,567	48,300	48,400	2,925
26,400	26,500	1,501	31,900	32,000	1,859	37,400	37,500	2,216	42,900	43,000	2,574	48,400	48,500	2,931
26,500	26,600	1,508	32,000	32,100	1,865	37,500	37,600	2,223	43,000	43,100	2,580	48,500	48,600	2,938
26,600	26,700	1,514	32,100	32,200	1,872	37,600	37,700	2,229	43,100	43,200	2,587	48,600	48,700	2,944
26,700	26,800	1,521	32,200	32,300	1,878	37,700	37,800	2,236	43,200	43,300	2,593	48,700	48,800	2,951
26,800	26,900	1,527	32,300	32,400	1,885	37,800	37,900	2,242	43,300	43,400	2,600	48,800	48,900	2,957
26,900	27,000	1,534	32,400	32,500	1,891	37,900	38,000	2,249	43,400	43,500	2,606	48,900	49,000	2,964
27,000	27,100	1,540	32,500	32,600	1,898	38,000	38,100	2,255	43,500	43,600	2,613	49,000	49,100	2,970
27,100	27,200	1,547	32,600	32,700	1,904	38,100	38,200	2,262	43,600	43,700	2,619	49,100	49,200	2,977
27,200	27,300	1,553	32,700	32,800	1,911	38,200	38,300	2,268	43,700	43,800	2,626	49,200	49,300	2,983
27,300	27,400	1,560	32,800	32,900	1,917	38,300	38,400	2,275	43,800	43,900	2,632	49,300	49,400	2,990
27,400	27,500	1,566	32,900	33,000	1,924	38,400	38,500	2,281	43,900	44,000	2,639	49,400	49,500	2,996
27,500	27,600	1,573	33,000	33,100	1,930	38,500	38,600	2,288	44,000	44,100	2,645	49,500	49,600	3,003
27,600	27,700	1,579	33,100	33,200	1,937	38,600	38,700	2,294	44,100	44,200	2,652	49,600	49,700	3,009
27,700	27,800	1,586	33,200	33,300	1,943	38,700	38,800	2,301	44,200	44,300	2,658	49,700	49,800	3,016
27,800	27,900	1,592	33,300	33,400	1,950	38,800	38,900	2,307	44,300	44,400	2,665	49,800	49,900	3,022
27,900	28,000	1,599	33,400	33,500	1,956	38,900	39,000	2,314	44,400	44,500	2,671	49,900	50,000	3,029
28,000	28,100	1,605	33,500	33,600	1,963	39,000	39,100	2,320	44,500	44,600	2,678	50,000	50,100	3,035
28,100	28,200	1,612	33,600	33,700	1,969	39,100	39,200	2,327	44,600	44,700	2,684	50,100	50,200	3,042
28,200	28,300	1,618	33,700	33,800	1,976	39,200	39,300	2,333	44,700	44,800	2,691	50,200	50,300	3,048
28,300	28,400	1,625	33,800	33,900	1,982	39,300	39,400	2,340	44,800	44,900	2,697	50,300	50,400	3,055
28,400	28,500	1,631	33,900	34,000	1,989	39,400	39,500	2,346	44,900	45,000	2,704	50,400	50,500	3,061
28,500	28,600	1,638	34,000	34,100	1,995	39,500	39,600	2,353	45,000	45,100	2,710	50,500	50,600	3,068
28,600	28,700	1,644	34,100	34,200	2,002	39,600	39,700	2,359	45,100	45,200	2,717	50,600	50,700	3,074
28,700	28,800	1,651	34,200	34,300	2,008	39,700	39,800	2,366	45,200	45,300	2,723	50,700	50,800	3,081
28,800	28,900	1,657	34,300	34,400	2,015	39,800	39,900	2,372	45,300	45,400	2,730	50,800	50,900	3,087
28,900	29,000	1,664	34,400	34,500	2,021	39,900	40,000	2,379	45,400	45,500	2,736	50,900	51,000	3,094
29,000	29,100	1,670	34,500	34,600	2,028	40,000	40,100	2,385	45,500	45,600	2,743	51,000	51,100	3,100
29,100	29,200	1,677	34,600	34,700	2,034	40,100	40,200	2,392	45,600	45,700	2,749	51,100	51,200	3,107
29,200	29,300	1,683	34,700	34,800	2,041	40,200	40,300	2,398	45,700	45,800	2,756	51,200	51,300	3,113
29,300	29,400	1,690	34,800	34,900	2,047	40,300	40,400	2,405	45,800	45,900	2,762	51,300	51,400	3,120
29,400	29,500	1,696	34,900	35,000	2,054	40,400	40,500	2,411	45,900	46,000	2,769	51,400	51,500	3,126
29,500	29,600	1,703	35,000	35,100	2,060	40,500	40,600	2,418	46,000	46,100	2,775	51,500	51,600	3,133
29,600	29,700	1,709	35,100	35,200	2,067	40,600	40,700	2,424	46,100	46,200	2,782	51,600	51,700	3,139
29,700	29,800	1,716	35,200	35,300	2,073	40,700	40,800	2,431	46,200	46,300	2,788	51,700	51,800	3,146
29,800	29,900	1,722	35,300	35,400	2,080	40,800	40,900	2,437	46,300	46,400	2,795	51,800	51,900	3,152
29,900	30,000	1,729	35,400	35,500	2,086	40,900	41,000	2,444	46,400	46,500	2,801	51,900	52,000	3,159
30,000	30,100	1,735	35,500	35,600	2,093	41,000	41,100	2,450	46,500	46,600	2,808	52,000	52,100	3,165
30,100	30,200	1,742	35,600	35,700	2,099	41,100	41,200	2,457	46,600	46,700	2,814	52,100	52,200	3,172
30,200	30,300	1,748	35,700	35,800	2,106	41,200	41,300	2,463	46,700	46,800	2,821	52,200	52,300	3,178
30,300	30,400	1,755	35,800	35,900	2,112	41,300	41,400	2,470	46,800	46,900	2,827	52,300	52,400	3,185
30,400	30,500	1,761	35,900	36,000	2,119	41,400	41,500	2,476	46,900	47,000	2,834	52,400	52,500	3,191
30,500	30,600	1,768	36,000	36,100	2,125	41,500	41,600	2,483	47,000	47,100	2,840	52,500	52,600	3,198
30,600	30,700	1,774	36,100	36,200	2,132	41,600	41,700	2,489	47,100	47,200	2,847	52,600	52,700	3,204
30,700	30,800	1,781	36,200	36,300	2,138	41,700	41,800	2,496	47,200	47,300	2,853	52,700	52,800	3,211
30,800	30,900	1,787	36,300	36,400	2,145	41,800	41,900	2,502	47,300	47,400	2,860	52,800	52,900	3,217
30,900	31,000	1,794	36,400	36,500	2,151	41,900	42,000	2,509	47,400	47,500	2,866	52,900	53,000	3,224
31,000	31,100	1,800	36,500	36,600	2,158	42,000	42,100	2,515	47,500	47,600	2,873	53,000	53,100	3,230
31,100	31,200	1,807	36,600	36,700	2,164	42,100	42,200	2,522	47,600	47,700	2,879	53,100	53,200	3,237
31,200	31,300	1,813	36,700	36,800	2,171	42,200	42,300	2,528	47,700	47,800	2,886	53,200	53,300	3,243
31,300	31,400	1,820	36,800	36,900	2,177	42,300	42,400	2,535	47,800	47,900	2,892	53,300	53,400	3,250
31,400	31,500	1,826	36,900	37,000	2,184	42,400	42,500	2,541	47,900	48,000	2,899	53,400	53,500	3,256

2008 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	3,263	59,000	59,100	3,620	64,500	64,600	3,978	70,000	70,100	4,335	75,500	75,600	4,693
53,600	53,700	3,269	59,100	59,200	3,627	64,600	64,700	3,984	70,100	70,200	4,342	75,600	75,700	4,699
53,700	53,800	3,276	59,200	59,300	3,633	64,700	64,800	3,991	70,200	70,300	4,348	75,700	75,800	4,706
53,800	53,900	3,282	59,300	59,400	3,640	64,800	64,900	3,997	70,300	70,400	4,355	75,800	75,900	4,712
53,900	54,000	3,289	59,400	59,500	3,646	64,900	65,000	4,004	70,400	70,500	4,361	75,900	76,000	4,719
54,000	54,100	3,295	59,500	59,600	3,653	65,000	65,100	4,010	70,500	70,600	4,368	76,000	76,100	4,725
54,100	54,200	3,302	59,600	59,700	3,659	65,100	65,200	4,017	70,600	70,700	4,374	76,100	76,200	4,732
54,200	54,300	3,308	59,700	59,800	3,666	65,200	65,300	4,023	70,700	70,800	4,381	76,200	76,300	4,738
54,300	54,400	3,315	59,800	59,900	3,672	65,300	65,400	4,030	70,800	70,900	4,387	76,300	76,400	4,745
54,400	54,500	3,321	59,900	60,000	3,679	65,400	65,500	4,036	70,900	71,000	4,394	76,400	76,500	4,751
54,500	54,600	3,328	60,000	60,100	3,685	65,500	65,600	4,043	71,000	71,100	4,400	76,500	76,600	4,758
54,600	54,700	3,334	60,100	60,200	3,692	65,600	65,700	4,049	71,100	71,200	4,407	76,600	76,700	4,764
54,700	54,800	3,341	60,200	60,300	3,698	65,700	65,800	4,056	71,200	71,300	4,413	76,700	76,800	4,771
54,800	54,900	3,347	60,300	60,400	3,705	65,800	65,900	4,062	71,300	71,400	4,420	76,800	76,900	4,777
54,900	55,000	3,354	60,400	60,500	3,711	65,900	66,000	4,069	71,400	71,500	4,426	76,900	77,000	4,784
55,000	55,100	3,360	60,500	60,600	3,718	66,000	66,100	4,075	71,500	71,600	4,433	77,000	77,100	4,790
55,100	55,200	3,367	60,600	60,700	3,724	66,100	66,200	4,082	71,600	71,700	4,439	77,100	77,200	4,797
55,200	55,300	3,373	60,700	60,800	3,731	66,200	66,300	4,088	71,700	71,800	4,446	77,200	77,300	4,803
55,300	55,400	3,380	60,800	60,900	3,737	66,300	66,400	4,095	71,800	71,900	4,452	77,300	77,400	4,810
55,400	55,500	3,386	60,900	61,000	3,744	66,400	66,500	4,101	71,900	72,000	4,459	77,400	77,500	4,816
55,500	55,600	3,393	61,000	61,100	3,750	66,500	66,600	4,108	72,000	72,100	4,465	77,500	77,600	4,823
55,600	55,700	3,399	61,100	61,200	3,757	66,600	66,700	4,114	72,100	72,200	4,472	77,600	77,700	4,829
55,700	55,800	3,406	61,200	61,300	3,763	66,700	66,800	4,121	72,200	72,300	4,478	77,700	77,800	4,836
55,800	55,900	3,412	61,300	61,400	3,770	66,800	66,900	4,127	72,300	72,400	4,485	77,800	77,900	4,842
55,900	56,000	3,419	61,400	61,500	3,776	66,900	67,000	4,134	72,400	72,500	4,491	77,900	78,000	4,849
56,000	56,100	3,425	61,500	61,600	3,783	67,000	67,100	4,140	72,500	72,600	4,498	78,000	78,100	4,855
56,100	56,200	3,432	61,600	61,700	3,789	67,100	67,200	4,147	72,600	72,700	4,504	78,100	78,200	4,862
56,200	56,300	3,438	61,700	61,800	3,796	67,200	67,300	4,153	72,700	72,800	4,511	78,200	78,300	4,868
56,300	56,400	3,445	61,800	61,900	3,802	67,300	67,400	4,160	72,800	72,900	4,517	78,300	78,400	4,875
56,400	56,500	3,451	61,900	62,000	3,809	67,400	67,500	4,166	72,900	73,000	4,524	78,400	78,500	4,881
56,500	56,600	3,458	62,000	62,100	3,815	67,500	67,600	4,173	73,000	73,100	4,530	78,500	78,600	4,888
56,600	56,700	3,464	62,100	62,200	3,822	67,600	67,700	4,179	73,100	73,200	4,537	78,600	78,700	4,894
56,700	56,800	3,471	62,200	62,300	3,828	67,700	67,800	4,186	73,200	73,300	4,543	78,700	78,800	4,901
56,800	56,900	3,477	62,300	62,400	3,835	67,800	67,900	4,192	73,300	73,400	4,550	78,800	78,900	4,907
56,900	57,000	3,484	62,400	62,500	3,841	67,900	68,000	4,199	73,400	73,500	4,556	78,900	79,000	4,914
57,000	57,100	3,490	62,500	62,600	3,848	68,000	68,100	4,205	73,500	73,600	4,563	79,000	79,100	4,920
57,100	57,200	3,497	62,600	62,700	3,854	68,100	68,200	4,212	73,600	73,700	4,569	79,100	79,200	4,927
57,200	57,300	3,503	62,700	62,800	3,861	68,200	68,300	4,218	73,700	73,800	4,576	79,200	79,300	4,933
57,300	57,400	3,510	62,800	62,900	3,867	68,300	68,400	4,225	73,800	73,900	4,582	79,300	79,400	4,940
57,400	57,500	3,516	62,900	63,000	3,874	68,400	68,500	4,231	73,900	74,000	4,589	79,400	79,500	4,946
57,500	57,600	3,523	63,000	63,100	3,880	68,500	68,600	4,238	74,000	74,100	4,595	79,500	79,600	4,953
57,600	57,700	3,529	63,100	63,200	3,887	68,600	68,700	4,244	74,100	74,200	4,602	79,600	79,700	4,959
57,700	57,800	3,536	63,200	63,300	3,893	68,700	68,800	4,251	74,200	74,300	4,608	79,700	79,800	4,966
57,800	57,900	3,542	63,300	63,400	3,900	68,800	68,900	4,257	74,300	74,400	4,615	79,800	79,900	4,972
57,900	58,000	3,549	63,400	63,500	3,906	68,900	69,000	4,264	74,400	74,500	4,621	79,900	80,000	4,979
58,000	58,100	3,555	63,500	63,600	3,913	69,000	69,100	4,270	74,500	74,600	4,628	80,000	80,100	4,985
58,100	58,200	3,562	63,600	63,700	3,919	69,100	69,200	4,277	74,600	74,700	4,634	80,100	80,200	4,992
58,200	58,300	3,568	63,700	63,800	3,926	69,200	69,300	4,283	74,700	74,800	4,641	80,200	80,300	4,998
58,300	58,400	3,575	63,800	63,900	3,932	69,300	69,400	4,290	74,800	74,900	4,647	80,300	80,400	5,005
58,400	58,500	3,581	63,900	64,000	3,939	69,400	69,500	4,296	74,900	75,000	4,654	80,400	80,500	5,011
58,500	58,600	3,588	64,000	64,100	3,945	69,500	69,600	4,303	75,000	75,100	4,660	80,500	80,600	5,018
58,600	58,700	3,594	64,100	64,200	3,952	69,600	69,700	4,309	75,100	75,200	4,667	80,600	80,700	5,024
58,700	58,800	3,601	64,200	64,300	3,958	69,700	69,800	4,316	75,200	75,300	4,673	80,700	80,800	5,031
58,800	58,900	3,607	64,300	64,400	3,965	69,800	69,900	4,322	75,300	75,400	4,680	80,800	80,900	5,037
58,900	59,000	3,614	64,400	64,500	3,971	69,900	70,000	4,329	75,400	75,500	4,686	80,900	81,000	5,044

2008 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	5,050	86,500	86,600	5,408	92,000	92,100	5,765	97,500	97,600	6,123
81,100	81,200	5,057	86,600	86,700	5,414	92,100	92,200	5,772	97,600	97,700	6,129
81,200	81,300	5,063	86,700	86,800	5,421	92,200	92,300	5,778	97,700	97,800	6,136
81,300	81,400	5,070	86,800	86,900	5,427	92,300	92,400	5,785	97,800	97,900	6,142
81,400	81,500	5,076	86,900	87,000	5,434	92,400	92,500	5,791	97,900	98,000	6,149
81,500	81,600	5,083	87,000	87,100	5,440	92,500	92,600	5,798	98,000	98,100	6,155
81,600	81,700	5,089	87,100	87,200	5,447	92,600	92,700	5,804	98,100	98,200	6,162
81,700	81,800	5,096	87,200	87,300	5,453	92,700	92,800	5,811	98,200	98,300	6,168
81,800	81,900	5,102	87,300	87,400	5,460	92,800	92,900	5,817	98,300	98,400	6,175
81,900	82,000	5,109	87,400	87,500	5,466	92,900	93,000	5,824	98,400	98,500	6,181
82,000	82,100	5,115	87,500	87,600	5,473	93,000	93,100	5,830	98,500	98,600	6,188
82,100	82,200	5,122	87,600	87,700	5,479	93,100	93,200	5,837	98,600	98,700	6,194
82,200	82,300	5,128	87,700	87,800	5,486	93,200	93,300	5,843	98,700	98,800	6,201
82,300	82,400	5,135	87,800	87,900	5,492	93,300	93,400	5,850	98,800	98,900	6,207
82,400	82,500	5,141	87,900	88,000	5,499	93,400	93,500	5,856	98,900	99,000	6,214
82,500	82,600	5,148	88,000	88,100	5,505	93,500	93,600	5,863	99,000	99,100	6,220
82,600	82,700	5,154	88,100	88,200	5,512	93,600	93,700	5,869	99,100	99,200	6,227
82,700	82,800	5,161	88,200	88,300	5,518	93,700	93,800	5,876	99,200	99,300	6,233
82,800	82,900	5,167	88,300	88,400	5,525	93,800	93,900	5,882	99,300	99,400	6,240
82,900	83,000	5,174	88,400	88,500	5,531	93,900	94,000	5,889	99,400	99,500	6,246
83,000	83,100	5,180	88,500	88,600	5,538	94,000	94,100	5,895	99,500	99,600	6,253
83,100	83,200	5,187	88,600	88,700	5,544	94,100	94,200	5,902	99,600	99,700	6,259
83,200	83,300	5,193	88,700	88,800	5,551	94,200	94,300	5,908	99,700	99,800	6,266
83,300	83,400	5,200	88,800	88,900	5,557	94,300	94,400	5,915	99,800	99,900	6,272
83,400	83,500	5,206	88,900	89,000	5,564	94,400	94,500	5,921	99,900	100,000	6,279
83,500	83,600	5,213	89,000	89,100	5,570	94,500	94,600	5,928	100,000 145,460 6,282 plus 6.50% of the amount over \$100,000 but less than \$145,460		
83,600	83,700	5,219	89,100	89,200	5,577	94,600	94,700	5,934			
83,700	83,800	5,226	89,200	89,300	5,583	94,700	94,800	5,941			
83,800	83,900	5,232	89,300	89,400	5,590	94,800	94,900	5,947			
83,900	84,000	5,239	89,400	89,500	5,596	94,900	95,000	5,954			
84,000	84,100	5,245	89,500	89,600	5,603	95,000	95,100	5,960	\$145,460 or more \$9,237 plus 6.75% of the amount over \$145,460		
84,100	84,200	5,252	89,600	89,700	5,609	95,100	95,200	5,967			
84,200	84,300	5,258	89,700	89,800	5,616	95,200	95,300	5,973			
84,300	84,400	5,265	89,800	89,900	5,622	95,300	95,400	5,980			
84,400	84,500	5,271	89,900	90,000	5,629	95,400	95,500	5,986			
84,500	84,600	5,278	90,000	90,100	5,635	95,500	95,600	5,993			
84,600	84,700	5,284	90,100	90,200	5,642	95,600	95,700	5,999			
84,700	84,800	5,291	90,200	90,300	5,648	95,700	95,800	6,006			
84,800	84,900	5,297	90,300	90,400	5,655	95,800	95,900	6,012			
84,900	85,000	5,304	90,400	90,500	5,661	95,900	96,000	6,019			
85,000	85,100	5,310	90,500	90,600	5,668	96,000	96,100	6,025			
85,100	85,200	5,317	90,600	90,700	5,674	96,100	96,200	6,032			
85,200	85,300	5,323	90,700	90,800	5,681	96,200	96,300	6,038			
85,300	85,400	5,330	90,800	90,900	5,687	96,300	96,400	6,045			
85,400	85,500	5,336	90,900	91,000	5,694	96,400	96,500	6,051			
85,500	85,600	5,343	91,000	91,100	5,700	96,500	96,600	6,058			
85,600	85,700	5,349	91,100	91,200	5,707	96,600	96,700	6,064			
85,700	85,800	5,356	91,200	91,300	5,713	96,700	96,800	6,071			
85,800	85,900	5,362	91,300	91,400	5,720	96,800	96,900	6,077			
85,900	86,000	5,369	91,400	91,500	5,726	96,900	97,000	6,084			
86,000	86,100	5,375	91,500	91,600	5,733	97,000	97,100	6,090			
86,100	86,200	5,382	91,600	91,700	5,739	97,100	97,200	6,097			
86,200	86,300	5,388	91,700	91,800	5,746	97,200	97,300	6,103			
86,300	86,400	5,395	91,800	91,900	5,752	97,300	97,400	6,110			
86,400	86,500	5,401	91,900	92,000	5,759	97,400	97,500	6,116			

