

Part II Reconciliation of Book Income or Net Income per Income Statement With Net Income

	1	2	3
	Allocable to Wisconsin	Allocable Outside Wisconsin	Total
6 Book income or net income per income statement (must agree with Part I, line 5)			
7 Addition adjustments to arrive at federal net income (sum of addition adjustments on federal Schedule M-1, or for Schedule M-3 filers, the sum of addition adjustments from Parts II and III)			
8 Add lines 6 and 7			
9 Subtraction adjustments to arrive at federal net income (sum of subtraction adjustments on federal Schedule M-1, or for Schedule M-3 filers, the sum of subtraction adjustments from Parts II and III)			
10 Subtract line 9 from line 8. This is federal taxable income before net operating loss deduction and special deductions			
11 Additions to federal income included on Form 3, Part III, line 8; Form 4, Schedule 4V; Form 4T, page 3, Part 1, line 10; Form 5S, Part IV, line 10; or Form 6, Part II, line 2k.			
12 Add lines 10 and 11.			
13 Subtractions from federal income included on Form 3, Part III, line 16; Form 4, Schedule 4W; Form 4T, page 3, Part 2, line 8; Form 5S, Part IV, line 19; or Form 6, Part II, line 4p.			
14 Subtract line 13 from line 12. This is the taxpayer's net income			
15 Enter the amount from line 14 that will be apportioned instead of allocated			
16 Subtract line 15 from line 14. This is the taxpayer's allocable net income. Enter the amount from column 1 on Form N, line 6, column a. Enter the amount from column 3 on Form N, line 6, column b.			

Additional Information Required

17 Has the taxpayer obtained written permission from the Department of Revenue to use separate accounting? Yes No

18 a Transfers to Wisconsin branches: Enter the amount of sales \$ _____, purchases \$ _____, management fees paid \$ _____, interest paid \$ _____, and royalties paid \$ _____ by branches outside Wisconsin.

b Transfers to out-of-state branches: Enter the amount of sales \$ _____, purchases \$ _____, management fees paid \$ _____, interest paid \$ _____, and royalties paid \$ _____ by Wisconsin branches.

Attach an explanation of how transfer prices were determined.

19 Explain how income and expenses were allocated in and outside Wisconsin _____

