ARIZONA FORM 120

Arizona Corporation Income Tax Return - Tax Recovery

2008

For the calendar year 2008 or fiscal year beginning M M D D Y Y Y Y and ending M M D D Y Y Y Y.

Mail to: Arizona Department of Revenue, PO Box 29079, Phoenix AZ 85038-9079

CHECK ONE: Calendar year ☐ Fiscal year ☐

Business telephone number	Please Type or Print	Name	Employer identification number (EIN)
Business activity code number (from federal Form 1120)		Number and street or PO Box	AZ transaction privilege tax number
		City, or town, state, and ZIP code	

68 Check box if: ☐ This is a first return ☐ Name change ☐ Address change

A Is FEDERAL return filed on a consolidated basis? ☐ Yes ☐ No
If yes, list EIN of common parent from consolidated return: _____

B ARIZONA filing method: (check only one) See instructions, pages 1-2.
1 ☐ Separate company 2 ☐ Combined (unitary group) 3 ☐ Consolidated

C If ARIZONA filing method is combined or consolidated, *see Form 51 instructions.*
Are there any additions or deletions on Form 51? ☐ Yes ☐ No

D ARIZONA apportionment: (check only one) Multistate corporations only.
☐ AIR Carrier ☐ STANDARD Sales Factor ☐ ENHANCED Sales Factor

E Is this the corporation's final ARIZONA return? ☐ Yes ☐ No
If yes, check one: ☐ Dissolved ☐ Withdrawn ☐ Merged/Reorganized
List EIN of the successor corporation, if any: _____

82 CHECK BOX IF: Return filed under extension. 82 F ☐

REVENUE USE ONLY. DO NOT MARK IN THIS AREA.

81 66

1	Taxable income - per attached federal return	1	00
2	Additions to taxable income - *from page 2, Schedule A, line A11*	2	00
3	Total taxable income - *add lines 1 and 2*	3	00
4	Subtractions from taxable income - *from page 2, Schedule B, line B12*	4	00
5	Adjusted income - *subtract line 4 from line 3.* WHOLLY ARIZONA CORPORATIONS GO TO LINE 13	5	00
6	Arizona adjusted income - *from line 5.* MULTISTATE CORPORATIONS ONLY	6	00
7	Nonapportionable or allocable amounts - *from page 3, Schedule D, line D8.* Multistate corporations only	7	00
8	Adjusted business income - *subtract line 7 from line 6.* Multistate corporations only	8	00
9	Arizona apportionment ratio - *from Schedule C or Schedule ACA* 9 .		
10	Adjusted business income apportioned to Arizona - *line 8 multiplied by line 9.* Multistate corporations only	10	00
11	Other income allocated to Arizona - *from page 3, Schedule E, line E7.* Multistate corporations only	11	00
12	Adjusted income attributable to Arizona - *add lines 10 and 11.* Multistate corporations only	12	00
13	Arizona income before NOL - *from line 5 or line 12*	13	00
14	Arizona basis net operating loss carryover - *attach computation schedule*	14	00
15	Arizona taxable income - *subtract line 14 from line 13*	15	00
16	Enter tax. Tax is 6.968 percent of line 15 or fifty dollars ($50), whichever is greater	16	00
17	Tax from recapture of tax credits - *from Form 300, Part II, line 22*	17	00
18	Subtotal - *add lines 16 and 17*	18	00
19	Clean Elections Fund Tax Reduction. *Check this box to send $5 to the fund and reduce the tax (line 18) by $5. Enter the amount of the tax reduction* 19A ☐	19	00
20	Nonrefundable tax credits - *from Arizona Form 300, Part II, line 43*	20	00
21	Credit type - *enter form number for each nonrefundable credit claimed* 21 3 3 3 3		
22	Tax liability - *subtract the sum of lines 19 and 20 from line 18*	22	00
23	Clean Elections Fund Tax Credit. *SEE INSTRUCTIONS BEFORE COMPLETING THIS LINE*	23	00
24	Tax liability after Clean Elections Fund tax credit - *subtract line 23 from line 22*	24	00
25	Extension payment made with Form 120EXT - *see instructions* 25 00		
26	Estimated tax payments - *see instructions* 26 00		
27	Total payments - *see instructions*	27	00
28	Balance of tax due - *If line 24 is larger than line 27, enter balance of tax due. Skip line 29*	28	00
29	Overpayment of tax - *If line 27 is larger than line 24, enter overpayment of tax*	29	00
30	Penalty and interest	30	00
31	Estimated tax underpayment penalty. *If Form 220 is attached, check box* 31A ☐	31	00
32	Donation to Citizens Clean Elections Fund - *see instructions*	32	00
33	TOTAL DUE - *see instructions* Payment must accompany return	33	00
34	OVERPAYMENT - *see instructions*	34	00
35	Amount of line 34 to be applied to 2009 estimated tax 35 00		
36	Amount to be refunded - *subtract line 35 from line 34*	36	00

Schedule A - Additions to Taxable Income

TAX RECOVERY

A1	Total federal depreciation	A1		00
A2	IRC § 179 expense in excess of allowable amount	A2		00
A3	Taxes based on income paid to any state (INCLUDING ARIZONA), local governments or foreign governments	A3		00
A4	Interest on obligations of other states, foreign countries, or political subdivisions	A4		00
A5	Special deductions claimed on federal return	A5		00
A6	Federal net operating loss deduction claimed on federal return	A6		00
A7	Commissions and other expenses paid or accrued to a Domestic International Sales Corporation (DISC)	A7		00
A8	Capital investment by certified defense contractor - *attach schedule*	A8		00
A9	Additions related to Arizona tax credits - *attach schedule*	A9		00
A10	Other additions to federal taxable income - *attach schedule*	A10		00
A11	Total - *add lines A1 through A10. Enter total here and on page 1, line 2*	A11		00

Schedule B - Subtractions from Taxable Income

B1	Recalculated Arizona depreciation - *see instructions*	B1		00
B2	Basis adjustment for property sold or otherwise disposed of during the taxable year - *see instructions*	B2		00
B3	Adjustment for IRC § 179 expense not allowed	B3		00
B4	Dividends received from 50% or more controlled domestic corporations	B4		00
B5	Foreign dividend gross-up	B5		00
B6	Dividends received from foreign corporations	B6		00
B7	Dividends received from a DISC	B7		00
B8	Interest on U.S. obligations	B8		00
B9	Agricultural crops charitable contribution	B9		00
B10	Capital investment by certified defense contractor - *attach schedule*	B10		00
B11	Other subtractions from federal taxable income - *attach schedule*	B11		00
B12	Total - *add lines B1 through B11. Enter total here and on page 1, line 4*	B12		00

Schedule C - Apportionment Formula (Multistate Corporations Only)

See instructions, pages 12 through 14.

NOTE: Qualifying air carriers must use Schedule ACA

		Column A Total Within Arizona	Column B Total Within and Without Arizona	Column C Ratio Within Arizona A ÷ B
C1	**Property Factor**			
	Value of real and tangible personal property (by averaging the value of owned property at the beginning and end of the tax period; rented property at capitalized value)			
a.	Owned property (at original cost):			
	Inventories			
	Depreciable assets - (do not include Construction in Progress)			
	Land			
	Other assets - (describe) _____			
	Less: Nonbusiness property (if included in above totals)	( )	( )	
	Total of section a			
b.	Rented property (capitalize at 8 times net rental paid)			
c.	Total owned and rented property (section a total plus section b)			
d.	Weight Arizona property - *(STANDARD uses X 1; ENHANCED uses X 1.5)*	X 1 OR X 1.5		
e.	Property factor (for column A - multiply item c by item d; for column B - enter amount from item c)			•
C2	**Payroll Factor**			
a.	Total wages, salaries, commissions and other compensation to employees (per federal Form 1120 or payroll reports)			
b.	Weight Arizona payroll - *(STANDARD uses X 1; ENHANCED uses X 1.5)*	X 1 OR X 1.5		
c.	Payroll factor (for column A - multiply item a by item b; for column B - enter amount from item a)			•
C3	**Sales Factor**			
a.	Sales delivered or shipped to Arizona purchasers			
b.	Other gross receipts			
c.	Total sales and other gross receipts			
d.	Weight Arizona sales - *(STANDARD uses X 2; ENHANCED uses X 7)*	X 2 OR X 7		
e.	Sales factor (for column A - multiply item c by item d; for column B - enter amount from item c)			•
C4	**Total ratio** - add C1(e), C2(c) and C3(e) in column C			•
C5	**Average apportionment ratio** - divide line C4, column C, by the denominator (*STANDARD divides by four (4); ENHANCED divides by ten (10)*). Enter the result in column C, and on page 1, line 9			•

Schedule D - Nonapportionable Income and Expenses (Multistate Corporations Only)

TAX RECOVERY

D1	Nonbusiness dividends and interest income:					
	a. Total nonbusiness dividends not deducted on page 2, Schedule B	D1a		00		
	b. Interest from nonbusiness sources	D1b		00		
	c. Total nonbusiness dividends and interest - *add lines D1a and D1b*				D1c	00
D2	Net royalties from nonbusiness patents and copyrights - *attach schedule*				D2	00
D3	Net income from rental of nonbusiness assets - *attach schedule*				D3	00
D4	Net gain or (loss) from sale or exchange of nonbusiness assets utilized for production of nonbusiness income - *attach schedule*				D4	00
D5	Other income or (loss) - *attach schedule*				D5	00
D6	Subtotal - *add lines D1c through D5*				D6	00
D7	Expenses attributable to income derived from a foreign corporation which is not itself subject to Arizona income tax - *attach schedule*				D7	00
D8	Total - *subtract line D7 from line D6. Enter total here and on page 1, line 7*				D8	00

Schedule E - Other Income Allocated to Arizona (Multistate Corporations Only)

E1	Gain or (loss) from sale or exchange of real estate and other tangible assets utilized for the production of nonbusiness income - *attach schedule*	E1	00
E2	Net income or (loss) from rental of nonbusiness assets - *attach schedule*	E2	00
E3	Net royalties from nonbusiness patents and copyrights - *attach schedule*	E3	00
E4	Net income or (loss) from intangible property specifically allocable to Arizona - *attach schedule*	E4	00
E5	Federal income tax refunds received in the taxable year - *see instructions*	E5	00
E6	Other income or (loss) directly allocable to Arizona - *attach schedule*	E6	00
E7	Total - *add lines E1 through E6. Enter total here and on page 1, line 11*	E7	00

Schedule F - Schedule of Tax Payments

Name of corporation	EIN	Date of payment	Type of payment	Amount of payment
			Total	

Schedule G - Other Information TAX RECOVERY

G1 Date business began in Arizona or date income was first derived from Arizona sources

G2 Address at which tax records are located for audit purposes: _____

G3 The taxpayer designates the individual listed below as the person to contact to schedule an audit of this return and authorizes the disclosure of confidential information to this individual. *(See instructions, page 16.)*

Name and title _____ Phone number _____

G4 List prior taxable years for which a federal examination has been finalized _____

NOTE: ARS § 43-327 requires the taxpayer, within ninety days after final determination, to report these changes under separate cover to the Arizona Department of Revenue or to file amended returns reporting these changes. *(See instructions, page 4-5.)*

G5 List the taxable years for which federal examinations are now in progress, or final determination of past examinations is still pending

G6 List the taxable years for which federal waivers of the statute of limitations are in effect and dates on which waivers expire

G7 Amount of Arizona taxable income for prior taxable year (2007 Form 120, line 15.) _____

G8 Indicate tax accounting method: Cash ☐ Accrual ☐ Other ☐ (Specify method.) _____

Multistate taxpayers:

G9 Are the nonbusiness items reported on Schedule D, lines D1 through D5, and the apportionment factor items reported on Schedule C, column B, treated consistently on all state tax returns filed under the Uniform Division of Income for Tax Purposes Act?

Yes ☐ No ☐ If no, the taxpayer must disclose the nature and extent of the variance upon request by the department.

G10 Has the taxpayer changed the way income is apportioned or allocated to Arizona from prior taxable year returns?

Yes ☐ No ☐ If yes, attach explanation.

Consolidated Return Filers:

G11 Enter the year Form(s) 122 were filed to make the Arizona consolidated election _____

Certification

The following certification must be signed by one or more of the following officers (president, treasurer, or any other principal officer).

Under penalties of perjury, I (we), the undersigned officer(s) authorized to sign this return, declare that I (we) have examined this return, including the accompanying schedules and statements, and to the best of my (our) knowledge and belief, it is a true, correct and complete return, made in good faith, for the taxable year stated pursuant to the income tax laws of the State of Arizona.

Please Sign Here

Officer's signature | Title | Date

Officer's signature | Title | Date

Paid Preparer's Use Only

Preparer's signature | Date

Firm's name (or preparer's, if self-employed) | Preparer's TIN

Firm's address | Zip code

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