

Instructions for Domestic Disclosure Spreadsheets

Form DDS-1, Affiliated Corporations

You must file this schedule or a comparable schedule regardless of whether you file the Spreadsheet. The Form DDS-1 lists all affiliated corporations, foreign and domestic, of which more than 20% of the voting stock is directly or indirectly owned or controlled by the corporate parent of your Idaho water's edge group.

The following descriptions correspond to the columns in Form DDS-1:

Column (a). Assign a number to each corporation included in the water's edge combined group. The common parent corporation is assigned "corporation number 1," with the other corporations numbered in consecutive order. The number assigned to each corporation may be used to refer to that corporation in all subsequent schedules of the Spreadsheet.

Column (b). Enter the name and address of the corporate parent of the Idaho combined group and all corporations of which more than 20% of the voting stock is directly or indirectly owned by the parent.

Column (c). Enter the federal employer identification number, if any, for each listed corporation.

Column (d). Identify the principal business activity.

Column (e). Enter the percent of voting stock owned by the group.

Column (f). Enter the number from column (a) of the affiliated corporation that owns the voting stock.

Column (g). Enter the date the affiliate was acquired. If the affiliate is disposed of, enter the date of the disposition.

Column (h). Enter the following code, if applicable, for each corporation. If the corporation does not meet any of the following descriptions, leave this column blank.

Code A = Foreign: Corporation incorporated outside the United States or the District of Columbia.

Code B = FSC: "Foreign Sales Corporation" as defined in Section 922(a) of the Internal Revenue Code (IRC).

Code C = Possession Corporation: A U.S. corporation that makes an election under IRC Section 936 for federal tax purposes.

Code D = Domestic: Corporation incorporated within the United States or the District of Columbia.

Form DDS-2, Schedule of Income and State Tax Liabilities

List each state that requires unitary combined reporting in which the taxpayer or an affiliate has a presence for franchise or income tax purposes and for which a tax return is filed. For this purpose, "state" includes the District of Columbia and U.S. possessions.

The following descriptions correspond to the columns in Form DDS-2.

Column (a). Using the two-letter state abbreviation, identify each state that requires unitary combined reporting in which the taxpayer or affiliate has a presence for franchise or income tax purposes and for which a return has been filed.

Column (b). Enter the name of each corporation or corporation number from Form DDS-1, column (a) required to file a return with that state.

If a single return is filed in the state for a number of corporations (e.g., Idaho allows a single corporation return or group return to be filed for all corporations under Idaho Income Tax Administrative Rule 365), enter the name of the corporation that filed the return. As to the other corporations included in the filing, attach Form DDS-2A, State Filing Requirements. This subschedule lists by state and key name the other corporations included in the return that are also taxable in the state.

The information required in columns (c) through (i) may be supplied on a cumulative basis opposite the name of the key filing entity.

Column (c). Enter the combined filing designation code (C1, C2, C3, etc.) from Form DDS-2B. Designations are necessary if there are either multiple combined groups in one state or different combined groups between states. If identical combined groups are reported in more than one state, they should be denoted by the same designation. Designations are also required if a corporation conducts, or is part of, more than one business.

Example: Corporations A, B, C and D were included in the combined report in State S. A similar

filing was made in State T. A, B and C were the only corporations included in the combined report filed in State U. A and B filed one combined report in State V, and C and D filed another combined report in V. The combined group in States S and T would be C1. The combined group in State U would be C2. The combined groups in State V would be C3 and C4.

Column (d). Enter the amount shown on the state tax return that represents net income before state adjustments. This amount should be equivalent to taxable income, as reported on line 30 of Federal Form 1120.

Column (e). Enter the amount shown on the state tax return that represents net income after state adjustments (e.g., interest on state and municipal obligations, state and local income taxes, etc.)

Column (f). Enter total business income subject to apportionment as it appears on the state tax return. Column (f) should equal column (e) less column (h).

Column (g). Enter the apportionment percentage reported to the state. This percentage must be supported by Form DDS-2C, Apportionment Percentage.

Column (h). Enter the amount of total nonbusiness income/loss as shown on the state tax return. This is not the amount specifically assigned to the state, but the total amount of nonbusiness income/loss reported by the filer or filing group. This amount must be supported by Form DDS-2D, Nonbusiness Income/Loss.

Column (i). Enter the amount of column (h), Nonbusiness Income/Loss Total, that is attributable to the state under its rules. This amount must be supported by Form DDS-2D, Nonbusiness Income/Loss.

Column (j). Enter total state net income as it appears on the state tax return. This should be the result of column (f) multiplied by the apportionment percentage shown in column (g), plus the nonbusiness income assigned to the state shown in column (i). To the extent it is not, attach a schedule which reconciles and explains the difference.

Column (k). Enter the amount of total income tax or franchise tax, based upon net income, paid to the state. To the extent this amount does not equal column (j) multiplied by the tax rate for the state, attach a schedule which reconciles and explains the difference.

Column (l). Enter the amount of sales with a destination into the state. This includes sales of other than tangible personal property. Sales are to be assigned to a destination state. For purposes of this schedule, throw-back sales rules are disregarded. This amount must be supported by Form DDS-2E, Destination Sales.

FORM DDS-2 SUBSCHEDULE INSTRUCTIONS

Form DDS-2A, State Filing Requirements

Form DDS-2A is used to list each state in which the taxpayer or an affiliate has filed a single return reporting the tax liabilities of a number of corporations. The subschedule must list all corporations included in the single return that have a taxable presence and filing requirement in that state.

The following descriptions correspond to the columns in Form DDS-2A:

Column (a). Using the two-letter state abbreviation, identify the state in which a single return is filed for a number of corporations.

Column (b). Enter the name (or corporation number from Form DDS-1, column (a)) of the key corporation that filed the return. This name, if listed, must correspond to the entry in column (b) of Form DDS-2.

Column (c). Enter the names (or corporation numbers from Form DDS-1, column (a)) of the other corporations included in the return that have a taxable presence and filing requirement in that state.

Form DDS-2B, Combined Filing Group

Form DDS-2B is used to list each combined filing group used by the taxpayer or an affiliate. The subschedule must list all corporations included in the group.

The following descriptions correspond to the columns in Form DDS-2B:

Column (a). Enter a combined filing designation code (C1, C2, etc.)

Column (b). Enter the name or corporation number from Form DDS-1, column (a) of each corporation included in the combined filing.

Form DDS-2C, Apportionment Percentage

Form DDS-2C is used to detail the amount of property, payroll and sales attributable to each state and to calculate the apportionment percentage. If a factor other than property, payroll, or sales is used by the state, attach a schedule that identifies and details the other factor used. If the factors are not equally weighted, note the weighting of all factors used.

The following descriptions correspond to the columns in Form DDS-2C:

Column (a). Using the two-letter state abbreviation, identify each state for which a tax return is filed.

Column (b). Enter the corporation number (from Form DDS-1, column (a) of the key corporation from column (b) of the Form DDS-1.

Column (c). Enter the combined filing designation code from column (c) of Form DDS-2, if applicable. If filing a separate return in the state, enter an S.

Column (d). If the taxpayer uses a property factor in determining the amount of income attributable to a state, enter the value of the property used in the state, the value of the total property everywhere, and the resulting property factor reported on the return as filed.

Column (e). If the taxpayer uses a payroll factor in determining the amount of income attributable to a state, enter the amount of compensation paid in the state, total compensation paid everywhere, and the resulting payroll factor reported on the return as filed.

Column (f). If the taxpayer uses a sales factor in determining the amount of income attributable to a state, enter the amount of sales attributable to the state, total sales everywhere, and the resulting sales factor reported on the return as filed.

Column (g). Enter the average apportionment percentage reported on the return filed.

Form DDS-2D, Nonbusiness Income/Loss

Form DDS-2D is used to detail the amount of nonbusiness income/loss as shown on the return, the state to which the income/loss is assigned, and states in which the income/loss is treated as business income/loss.

The following descriptions correspond to the columns in Form DDS-2D:

Column (a). Use the two-letter state abbreviation to identify each state.

Column (b). Enter the name or corporation number from Form DDS-1, column (a) of the key corporation from column (b) of the Form DDS-2.

Column (c). List the types of income/loss reported as nonbusiness income/loss on the return (i.e., dividends, interest, rents, gain/loss from sale of assets, royalties, etc.)

Column (e). Enter the state(s) to which each item of income was assigned. If this nonbusiness income was not reported on the return filed in the state to which it was assigned, explain why.

Example: For State A, \$1,000,000 of dividend income is classified as nonbusiness income, which is not assigned to State A. If this income is not assigned to and reported on the return filed with any other state, no entry would be made in this column. If a portion of the dividend income was assigned to and reported on the returns filed with three other states (States B, C, and D), list B, C, and D in column (e) and identify amounts assigned to each.

Column (f). If an item of nonbusiness income/loss reported on the return is treated as business income/loss in another state(s), indicate the state in which the income/loss is treated as business income/loss.

Form DDS-2E, Destination Sales

Form DDS-2E is prepared on a state-by-state basis. The corporation or group of corporations having destination sales is identified and the amount is computed. The corporations must also indicate whether they are immune under P.L. 86-272.

The following descriptions correspond to the columns in Form DDS-2E:

Column (a). Enter the name of each state. For sales made to foreign countries, enter "FC" in this column (sales made to foreign countries should be collectively listed).

Column (b). Enter the names (or corporation numbers from Form DDS-1, column (a) of all corporations that have destination sales into the state. For sales made to foreign countries, enter the names of all corporations that have sales with a destination outside the United States.

Column (c). Enter the amount of destination sales (including receipts from services or sales of other than tangible property) into the state. For sales made to foreign countries, enter the amount of sales with a destination outside the United States.