INDIANA DEPARTMENT OF REVENUE
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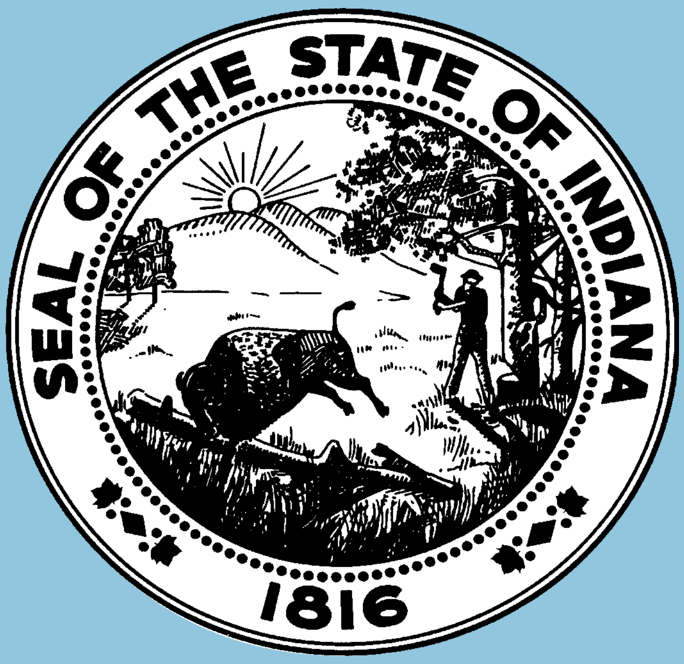
www.in.gov/dor/

COMPLIANCE DIVISION
NOT-FOR-PROFIT SECTION
(317) 232-2188

SP 155
(R/9-01)

State of Indiana

Not-For-Profit Organization Income Tax Booklet
2001 Form IT-20NP



This booklet contains forms and instructions for preparing the Indiana gross income tax return, and the Indiana gross, adjusted gross and supplemental net income tax returns on unrelated income of qualified not-for-profit organizations.

Tax forms may be requested by calling: (317) 615-2581. If you want forms faxed to you, use the phone from your fax machine to call Indiana Tax Fax at (317) 233-2FAX (2329). By calling this number and reviewing the list of available forms, you will have immediate access to most of our tax forms and information bulletins.
Many of the tax forms are also available on the Internet at the following address: www.in.gov/dor/

2001 Not-For-Profit Organization Income Tax Return

Legislative and Administrative Highlights 2000-2001

Internal Revenue Code References

Public Law (P.L.) 9-2001 updates references to the Internal Revenue Code in certain Indiana income tax statutes. For tax year 2001, any reference to the Internal Revenue Code means the Internal Revenue Code of 1986, as amended, and in effect on January 1, 2001. Also, it retroactively amends references to the Internal Revenue Code making the Indiana Code (IC) consistent with the Internal Revenue Code for tax year 2000. *Citations Affected: IC 6-3-1-11. Effective: January 1, 2000 and 2001 (retroactive). HB 1479, Sections 1 & 2.*

New Enterprise Zones Established

The Indiana State Enterprise Board designated areas in the cities of Mitchell and Portage as the two new enterprise zones. The designation is effective for January 1, 2001 through December 31, 2010 and applies to taxable years beginning after December 31, 2000.

Contact the Indiana Department of Commerce, Community Development Division, Enterprise Zone Services, One North Capitol Avenue, Indianapolis, IN, 46204, telephone at 317-232-8911, or the local Urban Enterprise Zone Association for more information.

Employees of Governmental Agencies and Not-for-Profits Residing and Working in an Enterprise Zone to Qualify for the Employee Income Deduction in 2002

IC 6-3-2-8 is amended to provide that a person who resides in an enterprise zone and is an employee of a nonprofit entity, local or state or federal government is eligible for the enterprise zone employee deduction. *P.L. 289-2001. Citations Affected: IC 6-3-2-8. Effective: January 1, 2002. HB 2130, Section 12.*

Claimants in Good Standing Eligible for Enterprise Zone Loan Interest Credit

P.L. 73-2000 provides that the term “zone business” includes an entity that claims certain tax benefits available to businesses located in an enterprise zone. It specifies that a taxpayer may claim the enterprise zone loan interest credit only if that taxpayer pays a registration fee, provides additional assistance to urban enterprise associations required of zone businesses, and complies with requirements adopted by the enterprise zone board. *Citations Affected: IC 4-4-6.1-1.1; IC 6-3.1-7-2. Effective: January 1, 2000 (retroactive). SB 171, Sections 1 through 3.*

New Tax Offset Credits Available in 2001

- **Capital Investment Tax Credit**- Effective January 1, 2001, a taxpayer or pass-through entity is eligible for a capital investment cost tax offset credit provided by I.C. 6-3.1-13.5 based on certain qualified capital investments made in Shelby County. The credit, if certified by the Indiana Department of Commerce, is equal to 14% of the amount of the approved qualified investment and is ratable over a seven-year period. *P.L. 291-2001. Citations Affected: IC 6-3.1-13.5. Effective: January 1, 2001. HB 1001, Section 177.*
- **Rerefined Lubricated Oil Facility Tax Credit**- Effective January 1, 2001 through December 31, 2005, a taxpayer or pass-through entity may be eligible, as determined by the Indiana Department of Commerce, for a state tax offset credit against its financial institution, income, sales and use tax liabilities. The credit is based on a percentage of the real and personal property taxes paid by an entity that processes rerefined lubrication oil as defined in I.C. 6-3.1-22.2. If the business entity has no adjusted gross income or sales and use tax liabilities then the owners are entitled to claim, as a pass-through, their share of the credit. *P.L. 291-2001. Citations Affected: IC 6-3.1-22.2. Effective: January 1, 2001. HB 1001, Section 149.*

For information regarding the definitions, procedures, and qualifications for the credits mentioned above, contact: Indiana Department of Commerce, Development Finance Division, One North Capitol, Suite 700, Indianapolis, Indiana, 46204, or call (317) 232-8782; Internet address: www.in.gov/doc/

Expansion of EDGE Credit

P.L. 114-2000 provides that the economic development for a growing economy (EDGE) board may award an EDGE tax credit for a project located in Hamilton County to a nonprofit organization that is a high growth company with high skilled jobs if the organization satisfies certain financial and other conditions. *Citations Affected: IC 6-3.1-13-27. Effective: March 16, 2000. HB 1354, Section 1.*

Charity Gaming Activities

If your organization wishes to conduct bingo games, raffles, charity game nights, or other games of chance, you need to know about the licensing, reporting, and withholding rules. Legal charity gaming is limited to bingo, raffles, door prizes, charity gaming nights, a festival event, and the sale of pull tabs, punchboards, or tip boards. Each of these activities require notification and/or licensing.

All Not-for-Profit organizations planning to conduct charity gaming activities must be registered with the Indiana Department of Revenue by filing Form CG-1, Indiana Charity Gaming Qualification Application. Activities such as auctions, midway-style games, and games of skill are not regulated by charity gaming law.

To obtain Charity Gaming Publication #2, or for more information, call (317) 23-BINGO.

Annual Public Hearing - Mark **June 18, 2002** on your calendar for the next public hearing sponsored by the Indiana Department of Revenue.

In accordance with the Indiana Taxpayer Bill of Rights, the Department will conduct an annual public hearing on Tuesday, June 18, 2002. Please come and share your ideas on how the Department of Revenue can better administer Indiana tax laws. The hearing will be held at 9:00 a.m. in the Indiana Government Center South, Conference Center - Room 4, 402 West Washington Street, Indianapolis, Indiana. If you can’t attend, please submit your concerns in writing to: Indiana Department of Revenue, Commissioner’s Office, 100 North Senate Avenue, Indianapolis, Indiana 46204.

General Instructions

A copy of federal Form 990 or 990T must be attached to Form IT-20NP when filing. The terms "wholly exempt" and "partially exempt" refer to an organization's liability for gross income tax on related income.

Who Must File Form IT-20NP

Not-for-profit organizations, which are partially exempt from Indiana gross income tax under I.C. 6-2.1-3-21, must file Form IT-20NP annually and complete Schedule A (and Schedules B, C, and D if they have any unrelated business income).

Not-for-profit organizations, which are wholly exempt from Indiana gross income tax under I.C. 6-2.1-3-19, 20 or 22, must file Form IT-20NP to report any unrelated business income by completing only Schedules B, C, and D. Political organizations and homeowner's associations are not considered not-for-profit organizations and, therefore, must file as regular corporations on Form IT-20.

For further information concerning filing requirements and how to obtain status as a not-for-profit organization, request Income Tax Information Bulletin #17 from the Compliance Division, Not-For-Profit Section, (317) 232-2188.

Accounting Methods

Under the Gross Income Tax Act, the accounting method for reporting gross receipts of a not-for-profit organization shall be limited to the cash or accrual method and should conform with the method used on the federal return. If the method used on the federal return is a method other than cash or accrual, the method for reporting gross receipts is limited to the cash method.

Due Date for Filing Form IT-20NP

Form IT-20NP is to be filed by the fifteenth (15th) day of the fifth (5th) month following the close of the tax year.

When an organization does not file a federal return pursuant to the Internal Revenue Code, its tax year shall be the calendar year unless permission is otherwise granted.

Partially Exempt Organization

A partially exempt organization is defined as a group, organization, not-for-profit corporation organized and operated for fraternal or social purposes, or as a business league or association, and not for the private benefit or gain of any member, trustee, shareholder, employee, or associate. These organizations must have on file Form IT-35A, Application to File as a Not-for-Profit Organization, with the Department in order to obtain status as a not-for-profit organization and assignment of an Indiana not-for-profit registration number.

An exemption renewal, Form IT-35AR, Not-for-Profit Organization's Annual Gross Income Tax Exemption Report, will need to be filed in addition to the IT-20NP to maintain the tax exempt status. Form IT-20NP, also filed annually, is used to report gross receipts and unrelated business income subject to tax in Indiana.

When determining taxable receipts on related income under the Gross Income Tax Act, the following types of deductible receipts of a partially exempt organization that must be reported on Schedule A may be claimed on Schedule F as nontaxable receipts:

1. Contributions - (excluding payments for which the payer does or may expect to receive services or tangible personal property);
2. Tuition fees;
3. Membership fees for which a member does not receive specific or tangible personal property (use of facilities is exempt);
4. Earnings on or receipts from sales of intangibles, such as interest and dividends;
5. Initiation fees;
6. Amounts received from a convention, trade show, or exhibition; and
7. Gross receipts from sale of Indiana lottery tickets and prize money from winning lottery tickets authorized by I.C. 4-30.

However, any unrelated business income must be reported on Schedules B, C, and D, and tax must be computed under the Gross, Adjusted Gross, and Supplemental Net Income Tax Acts. If unrelated business income is reported, a copy of federal Form 990T must be attached to the IT-20NP return when it is filed. If federal Form 990T is not filed, a statement to that effect must be attached to the IT-20NP return.

Wholly Exempt Organization

A not-for-profit organization with a wholly exempt purpose must file Form IT-35A, Application to File as a Not-For-Profit Organization, to receive an Indiana not-for-profit registration number. **Form IT-20NP is not required to be filed annually by a wholly exempt organization unless the organization has unrelated business income over $1,000 during the tax year.** The unrelated business income of a wholly exempt organization is subject to the Gross, Adjusted Gross, and Supplemental Net Income Tax Acts and must be reported on Schedules B, C, and D of Form IT-20NP.

(A) Definition of Wholly Exempt Purpose - All amounts received by institutions, trusts, groups, united funds and their affiliated agencies, organizations, not-for-profit corporations and associations organized and operated exclusively for one or more of the following purposes:

1. Religious;
2. Charitable;
3. Scientific;
4. Literary;
5. Educational;
6. Civic;
7. Cemetery association;

are exempt from gross, adjusted gross and supplemental net income tax. Also, fraternities, sororities, and student cooperative housing organizations associated with and under supervision of a college, university, or other educational institutions are considered to be wholly exempt organizations.

If any part of the gross income received by such organizations is used for the private benefit or gain of any member, trustee, shareholder, employee, or associate, such organization will not be granted an exemption. The term "private benefit or gain" shall not include reasonable compensation paid to employees for work or services actually performed.

(B) Certain Specific Wholly-Exempt Organizations:

1. Hospitals licensed by the Indiana State Department of Health;
2. Shared hospital service organizations exempt from federal income tax by I.R.C. 501(c)(3) or (e);
3. Labor unions;
4. Churches;
5. Monasteries;
6. Convents;
7. Schools that are part of the public school system of Indiana;
8. Parochial schools regularly maintained by recognized religious denominations; and
9. Trusts created for the purpose of paying pensions to members of any particular profession or business who have created the trust for the purpose of paying pensions to each other;

To preserve the exemption, a specific group or organization cannot be organized or maintained for private gain or profit.

For additional filing requirements of not-for-profit organizations obtain Income Tax Information Bulletin #17 and Form IT-35AR by writing the Department, or by calling (317) 232-2188.

Extensions

The Department recognizes the Internal Revenue Service application for automatic extension of time to file, Form 8868. **Please forward a copy of your federal extension to the Not-for-Profit Section, by the original due date, to prevent revocation of your exemption. Indicate your Indiana Taxpayer Identification Number (TID) on your request for an extension of time to file.**

A copy of the federal extension must also be attached to the Indiana return. Returns postmarked within thirty (30) days after the last date indicated on the federal extension will be considered timely filed. If a federal extension is not needed, a taxpayer may request, in writing, an Indiana extension of time to file from the Indiana Department of Revenue, Compliance Division, Not-for-Profit Section, Indiana Government Center North, Room N203, 100 N. Senate Avenue, Indianapolis, Indiana 46204-2253.

Penalty for late payment will not be imposed if at least ninety percent (90%) of the tax due is paid by the original due date. The extension payment should be sent with your previous pre-printed Indiana Form IT-6, or Form E-6, as a fifth quarter estimated tax payment.

Amended Returns

To amend a previously filed Form IT-20NP, a corrected copy of the original form must be filed with "AMENDED" marked clearly at the top of the form. To claim a refund of an overpayment, the return must be filed within three years from the latter of the date of overpayment or the due date of the return.

I.C. 6-8.1-9-1 entitles a taxpayer to claim a refund because of a reduction in tax liability resulting from a federal modification. The claim for refund should be filed within six (6) months from the date of modification by the Internal Revenue Service. If an agreement to extend the statute of limitations for an assessment is entered into between the taxpayer and the Department, the period for filing a claim for refund is likewise extended.

Estimated Quarterly Tax Payments

All not-for-profit organizations whose gross income tax liability exceeds $1,000 for a taxable year, or adjusted gross income tax exceeds the gross tax by $1,000 annually, or supplemental net income tax liability exceeds $1,000 annually, must file quarterly estimated tax payments.

The estimated tax payment is submitted with an Indiana estimated quarterly return, Form IT-6, or by electronic funds transfer if the average quarterly liability exceeds $10,000. If the organization's estimated payments exceed the tax liability, credit should be claimed on the annual return, Form IT-20NP, to request a refund or carryover the excess amount to the next year's estimated tax account. If an estimated account needs to be established, obtain Form E-6 to remit the initial payment and to request preprinted quarterly estimated IT-6 returns.

Estimated tax payments for calendar year organizations are due on April 20, June 20, September 20, and December 20. Estimated tax payments for fiscal year and short tax year filers are due by the twentieth day of the fourth, sixth, ninth, and twelfth months of their tax period. For further instructions, refer to Income Tax Information Bulletin #11.

Penalty for Underpayment of Estimated Taxes

Organizations required to estimate their income taxes will be subject to a ten percent (10%) underpayment penalty if they fail to timely file estimated tax payments or fail to remit a sufficient amount. To avoid the penalty, the required quarterly estimate must be at least twenty percent (20%) of the total income tax liability for the current taxable year or twenty-five percent (25%) of the organization's final income tax liability for the previous tax year. The penalty for the underpayment of estimated tax is assessed on the difference between the actual amount paid by the organization for each quarter and twenty-five percent (25%) of its final income tax liability for the current tax year. Refer to the instructions for Schedule IT-2220, Penalty for the Underpayment of Corporate Income Taxes, which is available from the Department upon request.

Use Schedule IT-2220 to show an exception to the penalty if the not-for-profit organization underpaid its income tax for any quarter. If an exception to the penalty is not met, payment of the computed penalty must be included with the return.

Electronic Funds Transfer Requirements

A not-for-profit organization's quarterly estimated tax must be remitted by Electronic Funds Transfer (EFT) if the amount of any one of the three income taxes imposed on an organization exceeds an average liability of $10,000 per quarter (or $40,000 annually). A combination of the income tax liability that meets this threshold, or even an initial payment exceeding $10,000 does not necessarily mean the taxpayer must remit by EFT. However, the Department encourages all taxpayers not required to remit by EFT to participate voluntarily in our EFT program because there is no minimum amount of payment. Note: Taxpayers remitting by EFT do not file quarterly IT-6 coupons. The account is reconciled when filing the annual income tax return.

If the Indiana Department of Revenue notifies an organization of its requirement to remit by EFT, it must:

1) Complete and submit the EFT Authorization Agreement (Form EFT-1); and,
2) Begin remitting tax payments by EFT by the date/tax period specified by the Department.

Failure to comply will result in a ten percent (10%) penalty on each quarterly estimated income tax liability not sent by EFT. Note: The Indiana Code does not require the extension of time to file payment or final payment due with the annual return to be paid by EFT. Nevertheless, if either is paid by EFT, be certain to also claim any EFT payment as an extension or estimated payment credit. Do not file a return indicating an amount due if you have paid, or will pay, any remaining balance by EFT.

If the organization determines that it meets the requirements to remit by Electronic Funds Transfer (EFT), contact the Indiana Department of Revenue, EFT Section, by calling (317) 615-2695.

Instructions for Completing Form IT-20NP

File a 2001 return for a tax year ending December 31, 2001, a fiscal year beginning in 2001, or a short tax year. For a fiscal or short tax year, fill in both the beginning month, day and ending month, day, and year at the top of the form.

Identification Section

The identification section of the return must be completed regarding the tax year, name, address, county, date organized, federal identification number, business activity code number, and Indiana taxpayer identification number (see note below). Enter the number of your business activity code in the designated box under the federal identification number. Use the six-digit principal business activity code, derived from the North American Industry Classification System (NAICS), as reported on your federal (Form 990-T) income tax return. A listing of these codes may be found through the Department's Internet address:
www.in.gov/dor/resources

Other **Unrelated Business Activity** numbers which may be applicable:

900000	Unrelated debt-financed activities - (other than rental or real estate)
900001	Investment Activities by Section 501(c) (7), (9), or (17) organizations
900002	Rental of personal property
900003	Passive income activities with controlled organizations
900004	Exploited exempt activities
999999	Unclassified establishments (unable to classify)

A condensed list is published as part of the Indiana Business Tax Application, Form BT-1. This form is available through our Tax Forms Order Line at (317) 615-2581, through our Indiana TaxFax System at (317) 233-2329 by using retrieval code 5000, or at **www.in.gov/dor/taxforms**.

Note: If registered as a collection agent for the State of Indiana for sales and/or withholding tax, enter your assigned Indiana Taxpayer Identification (TID) number as 10 digits by dropping the trailing 3 digit location numbers. When an organization does not have a TID number, Form IT-35A must be filed in order to be granted status as an exempt organization. The Indiana Department of Revenue issues the TID Number.

How to Report Charity Gaming Receipts

Wholly exempt not-for-profit organizations do not pay any income taxes on the proceeds from licensed charity gaming events. Partially exempt not-for-profit organizations must pay high-rate gross income tax on the gross receipts (total proceeds less payouts, i.e. prizes and awards) from licensed events. The income derived from these events is considered related income. For further information, see Charity Gaming Publication #2, which is available upon request.

All not-for-profit organizations must report, as unrelated gross income, total receipts (less payouts) from illegal gaming events and calculate high-rate gross tax on Schedule B without deductions of any other kind. Adjusted gross (Schedule C) and supplemental net income (Schedule D) taxes must also be completed.

Schedule A
Related Gross Income Tax Computation

This schedule is for use by partially exempt organizations to report gross income tax on nonexempt income other than gross unrelated business income. Gross unrelated business income is to be reported on Schedule B. *Do not duplicate gross income entries on Schedules A and B. Do not report negative figures on Schedule A.*

Line Instructions

In Columns A and B, report total receipts before taking any deductions. If any of the receipts reported in Columns A and B are nontaxable under Indiana law, enter the amount claimed to be nontaxable in Schedule F and provide a complete explanation. Additional pages may be attached if necessary.

Lines 1 through 10. Enter amount of gross receipts actually or constructively received.

Line 11. Enter in column A other receipts that cannot be properly classified on lines 1 through 10. However, enter in column B those receipts subject to tax at the low rate such as advertising and the renting or furnishing for periods of less than thirty (30) days any rooms, lodgings, or other accommodations, including booths, display spaces, and banquet facilities that are regularly furnished for consideration.

Line 12. Enter sum of lines 1 through 11 for each column.

Line 13. The nontaxable receipts from lines 1 through 11 are to be entered in the appropriate columns and itemized in Schedule F, "Explanation of Nontaxable Receipts."

Line 14. Enter balance of line 12 minus line 13.

Line 15. All entities are entitled to a $1000 exemption per year. Entities filing for less than a 12-month period must prorate the exemption at the rate of $83.33 per month. In no case shall the total amount of the exemption (sum of all entries on Schedule A, line 15, and Schedule B, line 51, from both columns) exceed $1,000.

Line 16. Subtract the amount on line 15 from the amount on line 14.

Line 17. Multiply the amount on line 16, Column A, by 1.2% (.012) tax rate and enter the result for Column A. Multiply the amount entered on line 16, Column B, by .3% (.003) tax rate and enter the result for Column B.

Line 18. Add the amounts on line 17, Columns A and B and enter the total.

Schedule B, C, D, and E
Report of Unrelated Business Income

All organizations, exempt under I.C. 6-2.1-3, sections 19, 20, 21, or 22, described in Internal Revenue Code 501(c) and I.R.C. 401(a) including churches, religious organizations, hospitals, social organizations, business leagues, pension trusts, and all other institutions, which are subject to the tax imposed by I.R.C. 511 are also subject to Indiana gross, adjusted gross, and supplemental net income taxes on their unrelated business income.

I.C. 6-3-2-3.1 provides that only the unrelated business income (as defined in I.R.C. 513) of an organization otherwise exempt from adjusted gross income tax under I.C. 6-3-2-2.8(1) is subject to adjusted gross income tax and supplemental net income tax. (This section will not apply to the United States, its agencies or instrumentalities, or to the State of Indiana, its agencies or political subdivisions.)

Pension trusts that would be taxed as a trust were it not for the exemption under I.R.C. Section 501(a) will be taxed as a trust on any unrelated business income (as defined in I.R.C. Section 513) and should file a Form IT-41 for Indiana tax purposes. I.C. 6-2.1-3-23 requires all not-for-profit organizations partially exempt and those wholly exempt from tax under I.C. 6-2.1-3-19, 20, 21, or 22 to calculate gross income tax on any gross income which is considered unrelated business income pursuant to I.R.C. 513. Income from bingo events, raffles, door prizes, charity game nights, festival events, the sale of pull tabs, punch boards and tips boards would be considered unrelated income unless the organization uses exclusively volunteer labor and the organization is properly registered with the Indiana Department of Revenue to conduct such activities.

The organization may have income from the sources enumerated on IT-20NP schedules which is not subject to tax as unrelated business income. To be subject to tax the income must be from a trade or business activity carried on a regular basis by the not-for-profit organization which is not substantially related to its exempt purpose. Indiana follows the Internal Revenue Service's rulings as what types of income is substantially related to or not related to an organization's exempt purpose. Refer to Internal Revenue Service Publication #598.

Exclusions from Unrelated Business Income

Exceptions that do not constitute income from an "unrelated trade or business" include:

(1) Any trade or business in which substantially all the work is performed for the organization without compensation;

(2) Any trade or business carried on by a charitable organization or by a state college or university primarily for the convenience of its members, students, patients, officers or employees;

(3) Any trade or business consisting of selling merchandise substantially all of which has been received by the organization as gifts or contributions;

(4) The furnishing by a qualified hospital at or near cost of certain common services, including purchasing, billing, and collection, and record keeping, to small hospitals, i.e. serving less than 100 in-patients;

(5) Qualified public entertainment activities of certain types of exempt organizations, when a qualifying organization regularly conducts as one of its substantial exempt purposes an agriculture and educational fair or exposition;

(6) Qualified convention and trade show activities of a qualifying organization that regularly conducts, as one of its substantial exempt purposes, a show that stimulates interest in, and demand for, the products of a particular industry of segment of an industry;

(7) Certain bingo games as long as the organization is properly licensed;

(8) Certain pole rentals, by a mutual or cooperative telephone or electric company;

(9) Certain distributions of low-cost articles, incidental to the solicitation of charitable contributions, and exchange or rentals of mailing lists by charitable organizations;

(10) Sponsorship payments for which the payer receives no substantial return benefit other than the use or acknowledgement of the name, logo, or product lines of the payer's trade or business in connection with the organization's activities.

Schedule B
Unrelated Gross Income Tax

Schedule B is used to report gross unrelated business income only. A partially exempt organization will report its gross receipts from unrelated business on Schedule B of Form IT-20NP. A wholly exempt organization subject to gross income tax on unrelated business income reported on Schedule B will never complete Schedule A. **A copy of federal Form 990T must be attached to the IT-20NP return whenever Schedules B, C, and D are completed.** If Form 990T is not being filed, attach a statement to that effect.

Report the total gross receipts on Schedule B without regard to cost of goods sold, expenses or any other deductions. If electing to claim any of the receipts reported as nontaxable under Indiana law, enter the amount claimed to be nontaxable on line 49 and explain on Schedule F.

Caution: Do not report negative figures on Schedule B.

Column A: Lines 35 through 41

Line 35. Enter total amount of commissions and fees actually or constructively received for services performed.

Line 36. Enter amount of interest and dividends actually or constructively received.

Line 37. Enter total amount of gross receipts from the rental of real or personal property regardless of where the property may be located or used. The total proceeds from real estate sales *before making any deductions* must be entered on line 37. Deductions such as outstanding mortgages are to be itemized and explained on Schedule F.

Line 38. Enter the gross receipts from the sale of securities and other miscellaneous personal property. Indicate deductions for nontaxable receipts and the nature of such deductions on Schedule F.

Line 39. For certain security dealers, grain dealers and grocers reporting on the gross earnings basis, follow instructions found in Form IT-20 Booklet.

Line 40. Enter all receipts derived from the performance of contracts, excluding income specifically identified as materials becoming an integral part of the project(s) to be reported on line 42. For lump-sum and fixed price contracts refer to 45 I.A.C. 1.1-2-12.

Line 41. Enter all receipts derived from miscellaneous sources including receipts derived from the operation of coin-operated laundries and dry cleaning equipment. Enter total receipts from illegal gaming activities.

Column B: Lines 42 through 47

Line 42. Enter all receipts derived from the material used as an integral part in the completion of project(s) under contract. The contractor must be regularly and occupationally engaged in purchasing and providing the tangible personal property under contract to a final user from an established place of business. The sales value of the material used as an integral part of the project(s) in said contract(s) must be segregated from the other charges and substantiated by receipts on a per contract basis. The segregation must be maintained in a manner acceptable to this Department. Any portion of the receipts claimed as sales of materials provided under contract(s), which is not supported by proper segregation is subject to tax at the higher rate and reported on line 40. The right to segregate and compute tax at the lower rate does not apply to income from a transaction in which title to real estate is transferred.

Line 43. Enter all receipts derived from the sale of merchandise by a taxpayer regularly engaged in purchasing tangible personal property and selling the same to customers at a fixed and established place of business except those sales by contractors reported on line 42. If such sale is made for the purpose of resale, it is properly reportable as a wholesale sale and should be entered on line 46.

Line 44. Enter the receipts derived from laundering, dry cleaning, industrial processing, and commercial printing (excluding photocopying). The receipts from the operation of coin-operated equipment should be entered on line 41.

Line 45. Enter the receipts derived from the sale of farm products by organizations in the business of agriculture.

Line 46. Enter the receipts derived from sales made by manufacturers to others for resale.

Line 47. Enter wholesale sales other than those reported on line 46.

Line 48. Add the amounts entered from each column (lines 35 through 47).

Line 49. The sum of nontaxable receipts listed on Schedule F should be entered in the appropriate columns on line 49.

Line 50. Subtract line 49 from line 48 for each column.

Line 51. All entities filing for a 12-month period (tax year) may use one $1,000 annual exemption. Entities filing for less than a 12-month period must prorate the exemption at the rate of $83.33 per month. In no case shall the total amount of the exemption (sum of all entries on Schedule A, line 15, and Schedule B, line 51, from both columns) exceed $1,000.

Line 52. Subtract line 51 from line 50.

Line 53. Multiply the amount on line 52, Column A, by 1.2% (.012) tax rate and enter the result for Column A. Multiply the amount on line 52, Column B, by .3% (.003) tax rate and enter the result for Column B.

Line 54. Enter the total of Columns A and B from line 53.

Schedule C
Adjusted Gross Income Tax
Computation for Unrelated Business Income

Under the Adjusted Gross Income Tax Act, the Department will recognize the method of accounting used for federal income tax purposes.

If income is received from activity outside Indiana that is subject to tax in another state, the three (3) factor apportionment formula must be used. Attach the IT-20NP Apportionment of Income Worksheet from page 10 to your return.

Line 55. Enter unrelated business taxable income before net operating loss deduction and/or specific deductions from federal Form 990T.

Lines 56. Enter all taxes measured by income levied by any state, including Indiana gross income tax, taken as deductions on the federal tax return.

Line 57. Do not use. Former property tax add back modification was eliminated effective for tax periods beginning in 1999.

Line 58. Enter all charitable contributions deducted when computing net taxable income on the federal tax return.

Line 59. Enter interest, after deducting all related expenses, on United States Government obligations included on the federal income tax return, Form 990T. Refer to Income Tax Information Bulletin #19 for a listing of eligible items.

Line 62. Enter other adjustments such as Indiana lottery prize income. Explain on Schedule G.

Line 64. If apportioning income, enter Indiana percentage (round to two decimal places) from line 4(c) of the IT-20NP Apportionment of Income Worksheet on page 10. Do not enter 100%. Attach completed worksheet.

Line 65. Multiply line 63 by Indiana apportionment percentage on line 64. If line 64 is not applicable, enter amount from line 63.

Line 66. Enter Indiana portion of a net operating loss deduction carryover. Schedule IT-20NOL (available upon request) must be attached anytime a deduction is reflected on line 66. *Please review Schedule IT-20NOL and instructions before entering an amount on line 66.*

Line 67. Taxable Indiana adjusted gross income - Subtract line 66 from line 65.

Line 68. Adjusted gross income tax - Multiply line 67 by 3.4% (.034). If line 67 is a loss, enter zero.

Schedule D
Supplemental Net Income Tax
Computation for Unrelated Business Income

Line 69. All taxpayers must compute their adjusted gross income on Schedule C, line 67 and enter that amount on line 69. If line 67 is a loss, enter zero and do not compute supplemental net income tax.

Line 70. Enter the gross income tax (Schedule A, line 18 plus Schedule B, line 54) or the adjusted gross income tax (Schedule C, line 68), whichever is greater.

Line 71. Subtract line 70 from line 69. Do not enter a figure less than zero.

Line 72. Supplemental net income tax - Multiply line 71 by 4.5% (.045).

Schedule E
Total Unrelated Business Income Tax Computation

Line 73. Enter the greater: gross income tax (Schedule B, line 54) or adjusted gross income tax (Schedule C, line 68).

Line 74. Enter supplemental net income tax from Schedule D, line 72.

Line 75. Add lines 73 and 74. Enter here and on line 20.

Vehicle Information Section

Indiana Code 6-8.1-6-5 requires the Department to request information concerning the number of motor vehicles owned and leased by a taxpayer and whether or not those vehicles are registered in Indiana. A motor vehicle for the purposes of this section is a car, a motorcycle, or a truck which has a declared gross weight of 11,000 pounds or less. These vehicles are subject to the motor vehicle excise tax. This information must be provided by completing the Vehicle Information Section on the reverse of Form IT-20NP. Also, an explanation must be given if any of the vehicles are not registered in Indiana.

Summary of Calculations

Line 19. Sales/Use Tax: Under I.C. 6-2.5-3-2 use tax is imposed on the use, storage or consumption of tangible personal property in Indiana if the sales tax was not paid at the point of purchase and no exemption from tax exists. Not-for-profit organizations will qualify for exemption from the use tax under the following conditions: (1) the not-for-profit organization is exempt from the gross income tax under I.C. 6-2.1-3-19 through 22. These include both wholly and partially exempt organizations for Indiana tax purposes; (2) the property or service is used to further its not-for-profit purpose; and (3) the organization is not operated predominantly for social purposes.

Purchases of tangible personal property to be used by organizations operated predominately for social purposes are subject to use tax. If over 50% of its expenditures are for or related to social activities such as food and beverage services, golf courses, swimming pools, dances, parties, and other similar social activities, the organization will be considered to be predominately operated for social purposes. **However, purchases for the private benefit of any member of the organization or any other individual, such as meals or lodging, are not eligible for exemption.**

If you are a registered retail sales agent for Indiana you must report non-exempt purchases on Form ST-103, Indiana Sales/Use Tax Return. If you are not required to file Form ST-103, or have failed to properly include all taxable purchases on the ST-103 return, complete the Sales/Use Tax Worksheet on page 10 and report the tax due on this line.

Caution: Do not report the totals from the ST-103 on this worksheet or on Form IT-20NP.

Additional information regarding sales/use tax for not-for-profit organizations can be obtained by requesting Sales Tax Information Bulletin #10 or by calling (317) 233-4015.

Line 20. Enter the total tax on unrelated business income from line 75 of schedule E.

Credits and Payment Computation

Line 22. Enter total amount of estimated quarterly income tax payments. Itemize each payment in the spaces provided.

Line 23. Enter the total amount paid with an extension and the year and the amount of any prior year overpayment credit. Itemize each payment in the spaces provided.

Line 24. Enter sum of other income tax credits. The total of all credits are limited to the amount of income tax on line 18 and line 20, unless otherwise noted.

See page 9 for other credits.

Line 26. Enter net tax due (subtract line 25 from line 21).

Line 27. Enter amount of calculated penalty for the underpayment of income taxes from Schedule IT-2220. Attach a completed Schedule IT-2220. This schedule is available from the Department upon request.

Line 28. Enter any interest due. Contact the Indiana Department of Revenue for the current rate of interest charged on late payments.

Line 29. *Enter the penalty amount that applies:*

A. If the return with payment is made after the original due date, a penalty which is the greater of $5 or ten percent (10%) of the balance of tax due (line 26), must be entered. The penalty for paying late will not be imposed if *all three* of the following conditions are met:

(1) A valid extension of time to file exists;
(2) At least 90% of the tax liability was paid by the original due date; and,
(3) The remaining tax is paid by the extended due date.

B. If the return showing no tax liability (line 21) is filed late, penalty for failure to file by the due date will be $10 per day the return is past due, up to a maximum of $250.

Line 30. Total amount owed. Add lines 26, 27, 28 and 29. Make separate payment for each return filed.

Line 31. Enter the sum of line 25 minus lines 21, 27, and 29.

Line 32. Enter the portion of the overpayment to be refunded.

Line 33. If timely electing to credit a portion of the overpayment to the following year's estimated tax account, enter the amount of the overpayment to be applied.

The sum of lines 32 and 33 must equal the amount of the total overpayment on line 31. If the overpayment is reduced due to an error on the return or an adjustment by the Department, the amount to be refunded (line 32) will be corrected before any changes are made to the amount on line 33. A refund may be set-off and applied to other liabilities under I.C. 6-8.1-9-2(a) and I.C. 6-8.1-9-5.

Be sure to sign, date, and print your name on the return. If a paid preparer completed your return, you may authorize the Department to discuss your return with the preparer by checking the authorization box above the signature line.

Please mail completed returns with a filled-in 2-D bar code to:
Indiana Department of Revenue, P.O. Box 7231, Indianapolis, IN 46207-7231.
All other prepared returns must be mailed to:
Indiana Department of Revenue, 100 N Senate Ave., Indianapolis, IN 46204-2253.

If you have any questions you may call the Compliance Division, Not-for-Profit Section: (317) 232-2188.

Indiana Department of Revenue

Indiana Not-For-Profit Organization Income Tax Return

For Calendar Year Ending December 31, 2001

or Other Tax Year Beginning AA ___ /______/ 2001 and Ending BB ___/______/ ______

MM/DD MM/DD/YYYY

(Do not write above)

Form IT-20NP State Form 148 (R/9-01)

Name of Organization B			Federal Identification Number A
			Principal Business Activity Code H
Number and Street C		Indiana County or O.O.S. D	Indiana Taxpayer Identification Number I
City E	State F	Zip Code G	Telephone Number J ( )

Schedule A — Related Gross Income Tax Computation of Partially Exempt Organization

(Attach Federal Form 990)

Gross Receipts Received

	Column A 1.2% High Rate	Column B .3% Low Rate
1. Membership fees and dues		2001 IT-20NP
2. Admission charges		
3. Interest income		
4. Commissions		
5. Sale of capital assets (including real estate)		
6. Receipts for services		
7. Rents and leases		
8. Contributions		
9. Bingo games, raffles, and other gaming receipts (explain on Schedule G)		
10. Sale of all tangible personal property from selling at retail including food, beverages, sundries, etc.		
11. Miscellaneous receipts (explain on Schedule G)		
12. Total (add lines 1 through 11)	12A	12B
13. Nontaxable receipts (explain on Schedule F)	13A	13B
14. Balance (line 12 less line 13)		
15. Exemption ($83.33 per month, total from both columns and line 51 of Schedule B may not exceed $1,000)	15A	15B
16. Amounts subject to tax (line 14 less line 15). If less than zero, enter zero		
17. Enter the amounts from line 16 multiplied by the respective tax rates for each column	17A	17B
18. Total related gross income tax (add amounts on line 17 columns A and B)		18

SUMMARY OF CALCULATIONS - Other Taxes and Total Tax Computation

19. Sales/use tax on purchases subject to use tax from Sales/Use Tax Worksheet (from page 10)		19
20. Tax on unrelated business income (from Schedule E, line 75)		20
21. Total tax due (add lines 18, 19 and 20)		

Credits and Payment Computation

22. Quarterly estimated income tax payments: 1 ____ 2 ____ 3 ____ 4 ____ Enter total ▸		22
23. Total amount paid with extension $________, and prior year overpayment credit $_______ from tax year ending ______. Enter total ▸		23
24. Other credits that offset income tax: (Attach proper schedules and complete explanation)		24
25. Total credits (add lines 22, 23 and 24)		
26. Balance of tax due (line 21 minus 25; if line 25 is greater than line 21, proceed to lines 27, 29 and 31)		
27. Penalty for the underpayment of income taxes (attach Schedule IT-2220)		27
28. Interest (if payment is made after the original due date, compute interest). Contact the Department for current interest rate		28
29. Penalty: If paid late, enter 10% of line 26; see instructions. If line 21 is zero enter $10 per day filed past due date		29
30. Total payment due (add lines 26, 27, 28 and 29) Make check payable to the **Indiana Department of Revenue.** PAY THIS AMOUNT ▸		30
31. Total overpayment (line 25 minus lines 21, 27, and 29)	31	
32. Amount of line 31 to be refunded	32	
33. Amount of line 31 to be applied to the following year's estimated tax account		33

I authorize the Department to discuss my return with my tax preparer. CC ☐ **Yes**

Under penalties of perjury, I declare I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. For Dept. Use ONLY DD

Organization's E-mail Address EE

Signature of Officer	Date	Print or Type Name LL	Title MM
Paid Preparer's Name FF		Preparer's FID, PTIN, or SSN Number NN	Check box: OO ☐1 Federal I.D. Number ☐2 Social Security Number ☐3 PTIN Number
Street Address GG		Daytime Telephone Number PP	
City HH	State II Zip+4 JJ	Preparer's Signature	

KK

Please mail forms to: **Indiana Department of Revenue, 100 N. Senate Avenue, Indianapolis, IN 46204-2253.**

Not-for-Profit Organization
Unrelated Business Income Tax Computation
Schedules B, C, D, and E (Attach Federal Form 990T)

Schedule B — Unrelated Gross Income Tax Computation (Do not duplicate entries from Schedule A)

High Rate Items	Gross Receipts Received Column A 1.2% High Rate	Column B 0.3% Low Rate
35. Commissions and fees		
36. Interest and dividends		
37. Rents, leases, and sale of real estate		
38. Sale of securities and personal property (without deductions)		
39. Gross earnings		
40. Contractor receipts and other service receipts		
41. Illegal gaming gross receipts **(Explain on Schedule G)**		
Low Rate Items		
42. Contractor's sale of materials		
43. Selling at retail		
44. Laundering, drycleaning, industrial processing (excluding receipts from coin-operated equipment), and commercial printing (excluding photocopying)		
45. Sales of agricultural products		
46. Manufacturer's sales at wholesale		
47. Other sales at wholesale		
48. Totals (add lines 35 through 47 columns A and B)		
49. Nontaxable receipts **(Explain on Schedule F)**		
50. Balance (line 48 minus line 49 of each column)		
51. Exemptions ($83.33 per month, total from both columns and line 15 of Schedule A may not exceed $1,000)		
52. Amount subject to tax (line 50 minus line 51). If less than zero, enter zero		
53. Enter the amounts from line 52 multiplied by the respective tax rates for each column		
54. Total unrelated gross income tax (Column A plus Column B from line 53)		54

Schedule C — Adjusted Gross Income Tax Computation on Unrelated Income

55. Unrelated business taxable income (before net operating loss deduction and specific deductions) from federal return Form 990T		
56. Addback: All state income taxes (taxes based on income)		
57. Do not use. For Departmental use only.		
58. Addback: All charitable contributions deducted on federal return		
59. Deduct: Interest on US Government obligations on the federal return less related expenses		
60. Total modifications (add lines 56 and 58, subtract line 59)		
61. Subtotal (add lines 55 and 60)		
62. Other adjustments **(explain on Schedule G)** enter deductions in <brackets>		
63. Net adjusted gross income (add lines 61 and line 62) (If not apportioning, proceed to line 65. If apportioning continue to line 64)		
64. Enter Indiana apportionment percentage, if applicable, from line 4(c) of apportionment worksheet (Attach worksheet)		__ __ . __ __ %
65. Unrelated business income apportioned to Indiana (Multiply line 63 by line 64, see line 65 instructions)		
66. Enter Indiana portion of net operating loss deduction (Attach Schedule IT-20NOL, see instructions)		
67. Taxable Indiana adjusted gross income (line 65 less line 66) also see line 69 instructions		
68. Indiana adjusted gross income tax (Multiply line 67 by 3.4%)		68

Schedule D — Supplemental Net Income Tax Computation on Unrelated Income

69. Enter Indiana taxable adjusted gross income from line 67 (If a loss is shown on line 67 enter zero)	
70. Enter the **greater** of gross income tax (Schedule A, line 18 plus Schedule B, line 54) or adjusted gross income tax (Schedule C, line 68)	
71. Supplemental net income (line 69 minus line 70) If less than zero, enter zero here and on line 72	
72. Supplemental net income tax (Multiply line 71 by 4.5%)	72

Schedule E — Total Unrelated Business Income Tax Computation

73. Enter the greater of gross income tax (Schedule B, line 54) or adjusted gross income tax (Schedule C, line 68)	
74. Enter supplemental net income tax from Schedule D, line 72 (cannot be less than zero)	
75. Total unrelated business income tax (Add lines 73 and 74 and carry to line 20 on front of return)	75

Vehicle Information Section

Enter number of motor vehicles operated by the organization in the State of Indiana on the last day of the tax year a________________

Are these vehicles registered in the State of Indiana? Yes b__________ No c__________

If no, attach an explanation and the reason(s) why these vehicles are not registered in Indiana.

Indiana Department of Revenue

Indiana Not-For-Profit Organization Income Tax Return

For Calendar Year Ending December 31, 2001

or Other Tax Year Beginning AA___ /______/ 2001 **and Ending** BB___/______/ ______
MM/DD MM/DD/YYYY

(Do not write above)

Form IT-20NP State Form 148 (R/9-01)

Name of Organization B			Federal Identification Number A
			Principal Business Activity Code H
Number and Street C		Indiana County or O.O.S. D	Indiana Taxpayer Identification Number I
City E	State F	Zip Code G	Telephone Number J ( )

Schedule A — Related Gross Income Tax Computation of Partially Exempt Organization

(Attach Federal Form 990)

Gross Receipts Received

	Column A 1.2% High Rate	Column B .3% Low Rate
1. Membership fees and dues		2001 IT-20NP
2. Admission charges		
3. Interest income		
4. Commissions		
5. Sale of capital assets (including real estate)		
6. Receipts for services		
7. Rents and leases		
8. Contributions		
9. Bingo games, raffles, and other gaming receipts (explain on Schedule G)		
10. Sale of all tangible personal property from selling at retail including food, beverages, sundries, etc.		
11. Miscellaneous receipts (explain on Schedule G)		
12. Total (add lines 1 through 11)	12A	12B
13. Nontaxable receipts (explain on Schedule F)	13A	13B
14. Balance (line 12 less line 13)		
15. Exemption ($83.33 per month, total from both columns and line 51 of Schedule B may not exceed $1,000)	15A	15B
16. Amounts subject to tax (line 14 less line 15). If less than zero, enter zero		
17. Enter the amounts from line 16 multiplied by the respective tax rates for each column	17A	17B
18. Total related gross income tax (add amounts on line 17 columns A and B)		18

SUMMARY OF CALCULATIONS - Other Taxes and Total Tax Computation

19. Sales/use tax on purchases subject to use tax from Sales/Use Tax Worksheet (from page 10)	19
20. Tax on unrelated business income (from Schedule E, line 75)	20
21. Total tax due (add lines 18, 19 and 20)	

Credits and Payment Computation

22. Quarterly estimated income tax payments: 1 ____ 2 ____ 3 ____ 4 ____ Enter total ▸		22
23. Total amount paid with extension $________, and prior year overpayment credit $_______ from tax year ending ______. Enter total ▸		23
24. Other credits that offset income tax: (Attach proper schedules and complete explanation)		24
25. Total credits (add lines 22, 23 and 24)		
26. Balance of tax due (line 21 minus 25; if line 25 is greater than line 21, proceed to lines 27, 29 and 31)		
27. Penalty for the underpayment of income taxes (attach Schedule IT-2220)		27
28. Interest (if payment is made after the original due date, compute interest). Contact the Department for current interest rate		28
29. Penalty: If paid late, enter 10% of line 26; see instructions. If line 21 is zero enter $10 per day filed past due date		29
30. Total payment due (add lines 26, 27, 28 and 29) Make check payable to the **Indiana Department of Revenue.** PAY THIS AMOUNT ▸		30
31. Total overpayment (line 25 minus lines 21, 27, and 29)	31	
32. Amount of line 31 to be refunded	32	
33. Amount of line 31 to be applied to the following year's estimated tax account		33

I authorize the Department to discuss my return with my tax preparer. CC ☐ **Yes**

Under penalties of perjury, I declare I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

For Dept. Use ONLY DD

Organization's E-mail Address EE

Signature of Officer	Date	Print or Type Name LL	Title MM
Paid Preparer's Name FF		Preparer's FID, PTIN, or SSN Number NN	Check box: OO ☐1 Federal I.D. Number ☐2 Social Security Number ☐3 PTIN Number
Street Address GG		Daytime Telephone Number PP	
City HH	State II Zip+4 JJ	Preparer's Signature	

KK

Please mail forms to: **Indiana Department of Revenue, 100 N. Senate Avenue, Indianapolis, IN 46204-2253.**

Not-for-Profit Organization Unrelated Business Income Tax Computation Schedules B, C, D, and E (Attach Federal Form 990T)

Schedule B — Unrelated Gross Income Tax Computation (Do not duplicate entries from Schedule A)

High Rate Items	Gross Receipts Received Column A 1.2% High Rate	Column B 0.3% Low Rate
35. Commissions and fees		
36. Interest and dividends		
37. Rents, leases, and sale of real estate		
38. Sale of securities and personal property (without deductions)		
39. Gross earnings		
40. Contractor receipts and other service receipts		
41. Illegal gaming gross receipts **(Explain on Schedule G)**		
Low Rate Items		
42. Contractor's sale of materials		
43. Selling at retail		
44. Laundering, drycleaning, industrial processing (excluding receipts from coin-operated equipment), and commercial printing (excluding photocopying)		
45. Sales of agricultural products		
46. Manufacturer's sales at wholesale		
47. Other sales at wholesale		
48. Totals (add lines 35 through 47 columns A and B)		
49. Nontaxable receipts **(Explain on Schedule F)**		
50. Balance (line 48 minus line 49 of each column)		
51. Exemptions ($83.33 per month, total from both columns and line 15 of Schedule A may not exceed $1,000)		
52. Amount subject to tax (line 50 minus line 51). If less than zero, enter zero		
53. Enter the amounts from line 52 multiplied by the respective tax rates for each column		
54. Total unrelated gross income tax (Column A plus Column B from line 53)		54

Schedule C — Adjusted Gross Income Tax Computation on Unrelated Income

55. Unrelated business taxable income (before net operating loss deduction and specific deductions) from federal return Form 990T		
56. Addback: All state income taxes (taxes based on income)		
57. Do not use. For Departmental use only.		
58. Addback: All charitable contributions deducted on federal return		
59. Deduct: Interest on US Government obligations on the federal return less related expenses..		
60. Total modifications (add lines 56 and 58, subtract line 59)		
61. Subtotal (add lines 55 and 60)		
62. Other adjustments **(explain on Schedule G)** enter deductions in <brackets>		
63. Net adjusted gross income (add lines 61 and line 62) (If not apportioning, proceed to line 65. If apportioning continue to line 64)		
64. Enter Indiana apportionment percentage, if applicable, from line 4(c) of apportionment worksheet (Attach worksheet)		___ ___ . ___ ___ %
65. Unrelated business income apportioned to Indiana (Multiply line 63 by line 64, see line 65 instructions)		
66. Enter Indiana portion of net operating loss deduction (Attach Schedule IT-20NOL, see instructions)		
67. Taxable Indiana adjusted gross income (line 65 less line 66) also see line 69 instructions		
68. Indiana adjusted gross income tax (Multiply line 67 by 3.4%)		68

Schedule D — Supplemental Net Income Tax Computation on Unrelated Income

69. Enter Indiana taxable adjusted gross income from line 67 (If a loss is shown on line 67 enter zero)	
70. Enter the **greater** of gross income tax (Schedule A, line 18 plus Schedule B, line 54) or adjusted gross income tax (Schedule C, line 68)	
71. Supplemental net income (line 69 minus line 70) If less than zero, enter zero here and on line 72	
72. Supplemental net income tax (Multiply line 71 by 4.5%)	72

Schedule E — Total Unrelated Business Income Tax Computation

73. Enter the greater of gross income tax (Schedule B, line 54) or adjusted gross income tax (Schedule C, line 68)	
74. Enter supplemental net income tax from Schedule D, line 72 (cannot be less than zero)	
75. Total unrelated business income tax (Add lines 73 and 74 and carry to line 20 on front of return)	75

Vehicle Information Section

Enter number of motor vehicles operated by the organization in the State of Indiana on the last day of the tax year a ____________________

Are these vehicles registered in the State of Indiana? Yes b __________ No c __________

If no, attach an explanation and the reason(s) why these vehicles are not registered in Indiana.

Name of Organization	Federal Identification Number
B	A

Schedule F — Explanation of Nontaxable Receipts From Schedule A or B (Attach additional pages if necessary).

Schedule (1)	Line (2)	Items Deducted (3)	Deducted from Gross Receipts: Column A		Column B	

Schedule G — Additional Explanation or Adjustment of Items from lines 9 and 11 of Schedule A, line 41 of Schedule B, and line 62 of Schedule C (Attach additional pages if necessary).

Schedule (1)	Line (2)	Explanation (3)	Amount (4)	

Other credits available to not-for-profit organizations include:

•College and University Contribution Credit - 50% of charitable contributions made to eligible Indiana colleges may be taken as a credit for an amount up to 10% of the organization's adjusted gross income tax, or $1,000, whichever is less. **Schedule CC-40**, available from the Department, must be completed and attached to Form IT-20NP.

•Community Revitalization Enhancement District Tax Credit - Effective January 1, 1999, a state and local income tax liability credit is available for a qualified investment for redevelopment or rehabilitation of property within a community revitalization enhancement district (in Monroe County). The expenditure must be approved by the Indiana Department of Commerce before it is made. The credit is equal to 25% of the qualified investment made by the taxpayer during the taxable year.

The taxpayer can assign the credit to a lessee who remains subject to the same requirements. The assignment must be in writing and any consideration may not exceed the value of the part of the credit assigned. Both parties must report the assignment on their state income tax return for the year of assignment.

The credit is non-refundable and cannot be carried back. The taxpayer must carryforward any excess credit to the immediately following tax year(s). Pass through entities are not eligible for the credit. The Indiana Department of Revenue has the authority to disallow any credit if the taxpayer ceases existing operations or substantially reduces its operations within the district, or elsewhere in Indiana to relocate them into the district.

To request additional information regarding the definitions, qualifications, and procedures for obtaining this credit, contact: Indiana Department of Commerce, One North Capitol, Suite 600, Indianapolis, Indiana, 46204, or call (317) 232-8911.

•Enterprise Zone Employment Expense Tax Credit - Calculate this credit on **Schedule EZ, Part 2**, and attach to Form IT-20NP. For further information on this credit and other enterprise zone tax benefits, refer to Income Tax Information Bulletin #66.

•Enterprise Zone Loan Interest Tax Credit - This credit is calculated on **Schedule LIC**, and attached to Form IT-20NP.

•Historic Rehabilitation Tax Credit - I.C. 6-3.1-16-7 provides for a tax credit for rehabilitating historic properties. The credit is 20% of the total cost of certified rehabilitation expenses of at least $10,000 made to a registered Indiana historic structure that is at least 50 years old, owned by the taxpayer, and actively used in a trade or business.

Contact the Division of Historic Preservation and Archaeology at (317) 232-1646 to obtain more information and instructions for approval of this credit.

•Indiana Research Expense Tax Credit - This credit remains available to eligible taxpayers for expenses incurred for qualified research activities conducted in Indiana through December 31, 2002. **Schedule IT-20REC**, must be attached.

•Individual Development Account Tax Credit - A tax liability credit is available equal to 50% of the contribution, if not less than $100 and not more than $50,000, which is made to a community development corporation participating in an Individual Development Account (IDA) program.

Effective July 1, 2001, the amount of total credits allowed per fiscal year is limited to $200,000.

Applications for the credit are filed through the community development corporation using Form IDA-10/20. The organization must have an approved program number from the Indiana Department of Commerce before a contribution qualifies for pre-approval.

To request additional information regarding the definitions, procedures, and qualifications for obtaining this credit, contact: Indiana Department of Commerce, Community Development, One North Capitol, Suite 600, Indianapolis, Indiana, 46204, or call 232-8911.

•Industrial Recovery Tax Credit - I.C. 6-3.1-11 provides for a credit based upon a taxpayer's qualified investment in a designated industrial recovery site. If the enterprise zone board approves the application and the plan for rehabilitation, the taxpayer is entitled to a credit based upon the "qualified investment."

A lessee may be assigned part of the credit. Additional information regarding the definitions, qualifications, and procedures for obtaining the credit may be requested from: The Indiana Department of Commerce, Enterprise Zone Board, One North Capitol, Suite 600, Indianapolis, Indiana 46204.

•Maternity Home Tax Credit - An income tax and unused carryover credit is allowed for maternity home owners providing a temporary residence to at least one pregnant woman for at least 60 consecutive days during the pregnancy. If more than one entity has an ownership interest in a maternity home, each may claim the credit in proportion to its ownership interest. A copy of the application approved by the State Department of Health must be attached to verify the credit claimed. Contact the Maternal and Child Health Division at (317) 233-1261 for the application and more information about this credit.

•Military Base Recovery Tax Credit - Effective for taxable years beginning after December 31, 1997, a state tax liability credit is available for rehabilitation of real property located in military base facilities designated by the state Enterprise Zone Board.

A claimant may also be a lessee of property in a military base recovery site and assigned part of the tax credit based upon the owner's or developer's qualified investment within a military recovery site. The assignment must be in writing and any consideration may not exceed the value of the part of the credit assigned. Both parties must report the assignment on their state income tax return for the year of assignment. The lessee may use the credit to offset its total state income tax liability, but excess credit must carryforward to the immediately following tax year(s).

To request additional information regarding the definitions, procedures, and qualifications for obtaining this credit, contact: Indiana Department of Commerce, Enterprise Zone Board, One North Capitol, Suite 600, Indianapolis, Indiana, 46204, or call (317) 232-8911.

•Neighborhood Assistance Tax Credit - Enter the allowable income tax credit from preapproved Form NC-20. For further information, refer to Information Income Tax Bulletin #22. Attach **Form NC-20** if claiming this credit.

•Prison Investment Tax Credit - An income tax credit is allowed under I.C. 6-3.1-6 for amounts invested in Indiana prisons to create jobs for prisoners. The amount is limited to 50% of the inventory in a qualified project approved by the Department of Corrections, plus 25% of the wages paid to inmates. The maximum credit a taxpayer may claim is $100,000 per year. *Effective January 1, 2000, pass-through entities are eligible for the credit.*

•Teacher Summer Employment Tax Credit - I.C. 6-3.1-2-1 provides a tax credit to taxpayers hiring designated shortage certified teachers during summer school vacations. The credit for each teacher hired is the lesser of either $2,500 or 50% of the compensation paid. The Professional Standards Board will certify the qualified positions. **Schedule TSE** must be attached to the return. Contact the Department of Education at (317) 232-6675 for information about this credit.

IT-20NP Apportionment of Income Worksheet (Attach to return, if apportioning income) (R/9-01)

Name of Organization B	Federal Identification Number A

The following information must be submitted by all organizations having income from sources both within and outside Indiana . (Interstate transportation entities must use Schedule E-7). Omit cents. Round to two decimal places in column C.

Part I - Apportionment of Adjusted Gross Income for Indiana

	Column A Total Within Indiana	Column B Total Within and Outside Indiana	Column C Indiana Percentage
1. Property Factor - Average value of owned property from the beginning and the end of the tax year. (Value of real and tangible personal property used in the business at original cost).			
(a) Property reported on federal return (average value for tax year)			
(b) Fully depreciated assets still in use at cost (average value for tax year)			
(c) Inventories, including work in progress (average value for tax year)			
(d) Other tangible personal property (average value for tax year)			
(e) Rented property (8 times the annual net rental)			
Total Property Values: Add lines 1(a) through 1(e)	1A	1B	1C _ _ _ . _ _ %
2. Payroll Factor - Wages, salaries, commissions, and other compensation of employees related to business income included in the return. If the amount reported in column A does not agree with the total compensation reported for unemployment insurance purposes, attach a detailed explanation.			
Total Payroll Value:	2A	2B	2C _ _ _ . _ _ %
3. Receipts Factor (less returns and allowances) Include all non-exempt apportioned gross business income. Do not use non-unitary partnership income or previously apportioned income that must be separately reported as allocated income.			
Sales delivered or shipped to Indiana:			
(a) Shipped from within Indiana			
(b) Shipped from outside Indiana			
Sales shipped from Indiana to:			
(c) The United States Government			
(d) Purchasers in a state where the taxpayer is not subject to income tax (under P.L. 86-272)			
(e) Interest income and other receipts from extending credit attributed to Indiana			
(f) Other gross business receipts not previously apportioned			
Total Receipts: Add column A lines 3 (a) through 3 (f) and enter in line 3A; enter all receipts in line 3B, column B	3A	3B	

4. Summary - Apportionment of Income for Indiana

(a) Receipts Percentage for factor 3 above: Divide 3A by 3B, enter result here: 4(a)1 __ __ __ . __ __% **X 200% (2.0) double-weighted adjustment**	4a	_ _ _ . _ _%
(b) Total Percents: Add percentages entered in lines 1C, 2C and 4a of column C. Enter sum	4b	_ _ _ . _ _%
(c) Indiana Apportionment Percentage: Divide line 4b by 4 if all three factors are present. (Enter here and on Schedule C, line 64)	4c	_ _ . _ _%

NOTE: If either property or payroll factor for column B is absent, divide line 4b by 3. If the receipts factor (3B) is absent, you must divide line 4b by 2. See instructions on reverse.

Sales/Use Tax Worksheet

List all purchases made during 2001 from out-of-state companies.

Column A	Column B	Column C
Description of personal property purchased from out-of state	Date of Purchase(s)	Purchase Price of Property(s)
Magazine subscriptions:		
Mail order purchases:		
Internet purchases:		
Other purchases:		

1. Total purchase price of property subject to the sales/use tax	1	
2. Sales/use tax: Multiply line 1 by .05 (5%)	2	
3. Sales tax previously paid on the above items (up to 5% per item)	3	
4. Total amount due: Subtract line 3 from line 2. Carry to Form IT-20NP, line 19. If the amount is negative, enter zero and put no entry on line 19 of the IT-20NP	4	

Instructions for Apportionment of Income Worksheet

Use of Apportionment Worksheet

If adjusted gross income is derived from sources both within and outside of Indiana, the adjusted gross income attributed to Indiana must be determined by use of an apportionment formula. The Department will not accept returns filed for adjusted gross income tax purposes using the separate accounting method.

Detailed Instructions:

Note: Interstate transportation corporations should consult Schedule E-7 for details concerning apportionment of income. Contact the Department to get this schedule.

Part I - Apportionment of Adjusted Gross Income for Indiana

1. Property Factor: The property factor is a fraction. The numerator is the average value during the tax year of real and tangible personal property used in the business within this state (plus value of rented property), and the denominator is the average value during the tax year of such property used in the business everywhere. Property owned by the taxpayer is valued at its original cost. Property rented by the taxpayer is valued at eight times the net annual rental rate. The average value of property shall be determined by averaging the values of the beginning and the end of the income period.

Complete appropriate lines for both within Indiana and everywhere. Add lines (a) through (e) in columns A and B. Divide sum in line 1A by the sum from line 1B. Multiply by 100 and enter the percent in line 1C. Round to the nearest second decimal place.

2. Payroll Factor: The payroll factor is a fraction. The numerator is the total wages, salaries, and other compensation paid to employees in Indiana for services rendered for the business, and the denominator is the total of such compensation for services rendered for the business everywhere. Normally, the Indiana payroll will match the unemployment compensation reports filed with the state as determined under the Model Unemployment Compensation Act. Compensation is paid in Indiana if (a) the individual's service is performed entirely within Indiana; (b) the individual's service is performed both within and outside Indiana, but the service performed outside Indiana is incidental to the individual's service within Indiana; (c) some of the service is performed in Indiana and (1) the base of operations, or if there is no base of operations, the place where the service is directed or controlled is in Indiana; or (2) the base of operations or the place where the service is directed or controlled is not in any state where some part of the service is performed, but the individual's residence is in Indiana. Payments to independent contractors and others not classified as employees are not included in the factor.

Enter payroll values in lines 2A and 2B. Divide the total in line 2A by the total from line 2B. Multiply by 100 and enter the percent in line 2C. Round to the nearest second decimal place.

3. Receipts Factor: The receipts factor is a fraction. The numerator is the total receipts of the taxpayer in this state during the tax year, and the denominator is the total receipts of the taxpayer everywhere during the tax year. **This factor is double-weighted in the apportionment of income formula.** All gross receipts of the taxpayer which are not subject to allocation are to be included in this factor.

The numerator of the receipts factor must include all sales made in Indiana, sales made from Indiana to the U.S. Government, and sales made from Indiana to a state not having jurisdiction to tax the activities of the seller. The numerator will also contain intangible income attributed to Indiana, including interest from consumer and commercial loans, installment sales contracts, and credit and debit cards as prescribed under I.C. 6-3-3-2.2.

Total receipts include gross sales of real and tangible personal property less returns and allowances. Sales of tangible personal property are in this state if the property is delivered or shipped to a purchaser within this state regardless of the f.o.b. point or other conditions of sale, or the property is shipped from an office, store, warehouse, factory, or other place of storage in this state, and the taxpayer is not subject to tax in the state of the purchaser.

Sales or receipts not specially assigned above shall be assigned as follows: (1) gross receipts from the sale, rental, or lease of real property are in this state if the real property is located in this state; (2) gross receipts from the rental, lease, or licensing the use of tangible personal property are in this state if the property is in this state. If the property was both within and outside Indiana during the tax year, the gross receipts are considered in this state to the extent the property was used in this state; (3) gross receipts from intangible personal property are in this state if the taxpayer has economic presence in this state and such property has not acquired a business situs elsewhere. Interest income and other receipts from loans or installment sales contracts that are primarily secured by or deal with real or tangible personal property are attributed to Indiana if the security or sale property is located in Indiana; consumer loans not secured by real or tangible personal property are attributed to this state if the loan is made to an Indiana resident; and commercial loans and installment obligations not secured by real or tangible personal property are attributed to Indiana if the proceeds of the loan are to be applied in Indiana. Interest income, merchant discounts, travel and entertainment credit card receivables and credit card holder's fee are attributed to the state where the card charges and fees are regularly billed. Receipts from the performance of fiduciary and other services are attributed to the state where the benefits of the services are consumed. Receipts from the issuance of traveler's checks, money orders, or United States savings bonds are attributed to the state where those items are purchased. Receipts in the form of dividends from investments are attributed to Indiana if the taxpayer's commercial domicile is in Indiana; and, (4) gross receipts from the performance of services are in this state if the services are performed in this state. If services are performed partly within and partly outside this state, a portion of the gross receipts from performance of the services shall be attributed to this state based upon the ratio the direct costs incurred in this state bear to the total direct costs of the services, unless the services are otherwise directly attributed to Indiana according to I.C. 6-3-2-2.2.

Sales to the United States Government: The United States Government is the purchaser when it makes direct payment to the seller. A sale to the United States Government of tangible personal property is in this state if it is shipped from an office, store, warehouse, or other place of storage in this state.

Other gross receipts under (f) Other, report other gross business receipts not included elsewhere, and pro rata gross receipts from unitary-partnership(s), excluding from the factor that portion of distributive share income derived from a previously apportioned partnership source.

Complete all lines as indicated. Add receipt factor lines 3(a) through 3(f) in column A, enter total on line 3A. Enter total receipts everywhere in line 3B. See line 4(a) for calculation of the percentage.

4. Summary: Apportionment of Income for Indiana

(a) Divide sum in line 3A by the total from line 3B. (Multiply by 100 to arrive at a percent rounded to the nearest second decimal place. Enter the quotient in the 4(a)1 space provided and multiply by 200% (2.0) double weight adjustment. Enter the product in line 4a of column C.

(b) Add entries in lines 1C, 2C, and 4a of column C. Enter the sum of the percentages in line 4b.

(c) Divide the total percentage entered in line 4b by 4. Enter the average Indiana apportionment percentage (round to the nearest second decimal place) in line 4c and carry to line 64, Schedule C of Form IT-20NP.

The property and payroll factors are each valued as a factor of 1 in the apportionment of income formula. The receipts factor is valued as a factor of 2. The combined three-factor denominator equals 4. When there is a total absence of one of these factors in column B, you must divide the sum of the percentages by the number of the remaining factor values present in the apportionment formula.