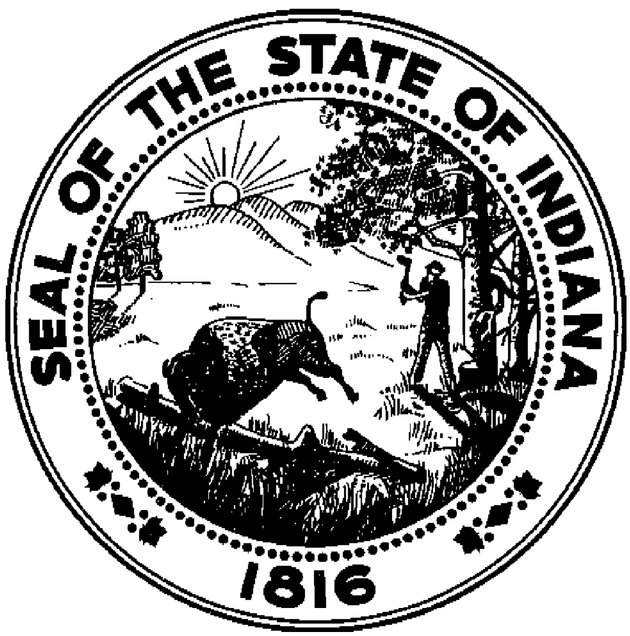
Indiana Department of Revenue
Compliance Division, Room N203
Indiana Government Center North
Indianapolis, Indiana 46203-2253

STATE OF INDIANA

FINANCIAL INSTITUTION FRANCHISE TAX BOOKLET FORM FIT-20



TAX YEAR 1995/1996

This booklet contains forms and instructions for preparing Indiana financial institution franchise tax returns. For additional information call 317/232-2189 or write:

Indiana Department of Revenue, Corporate Income Tax
Compliance Division, Room N203
Indiana Government Center North
Indianapolis, IN 46204-2253

Indiana Department of Revenue

Financial Institute Franchise Tax Booklet

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Tax forms may be requested by calling (317) 486-5103. If you would like forms faxed to you, use the phone on your fax machine to call the Department's TAXFAX system 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.

GENERAL INSTRUCTIONS

Certified copies of pages 1 through 4 of the corporation's federal income tax return must be attached to Form FIT-20 when filed. This requirement is made under the authority of Indiana Code 6-5.5-6-5.

WHO MUST FILE FORM FIT-20

I.C. 6-5.5-2-1 imposes an 8.5% franchise tax on the adjusted gross income of a corporation that is transacting the business of a financial institution including: a holding company, a regulated financial corporation, or a subsidiary of the above. Any taxpayer who is subject to tax under I.C. 6-5.5 is exempt from Indiana's gross, adjusted gross and supplemental net income taxes as well as the former bank and savings & loan taxes under I.C. 6-5.

The franchise tax extends to both resident and nonresident financial institutions and to all other corporate entities when 80% or more of its gross income is derived from activities that constitute the business of a financial institution. The business of a financial institution is defined as activities authorized by the federal reserve board; the making, acquiring, selling, or servicing loans or extensions of credit; or operating a credit card, debit card, or charge card business.

RESIDENT TAXPAYER DEFINED

A resident taxpayer is a taxpayer who is commercially domiciled in Indiana and transacts the business of a financial institution in this state. If a taxpayer is a resident taxpayer all income is automatically attributed to Indiana, and is subject to the franchise tax. There is no apportionment for out-of-state transactions.

NONRESIDENT TAXPAYER DEFINED

A nonresident taxpayer is a taxpayer who is not commercially domiciled in Indiana, but transacts the business of a financial institution in this state. Only a portion of a nonresident taxpayer's income is subject to the tax. The law employs a single factor receipts formula to determine the percentage of the nonresident taxpayer's income which is subject to the tax. The single factor receipts formula is derived by dividing the gross receipts attributable to transacting business in Indiana by the total receipts from transacting business in all taxing jurisdictions.

NEXUS RULES

The law is based on the ability of a corporation under modern technology to transact the business of a financial institution in Indiana, irrespective of the principal location of its offices and employees.

TRANSACTING BUSINESS

A taxpayer is transacting business in Indiana for purposes of the franchise tax when it satisfies any of the following eight tests:

(1) Maintains an office in Indiana;
(2) Has an employee, representative, or independent contractor conducting business in Indiana;
(3) Regularly sells products or services of any kind or nature to customers in Indiana that receive the product or service in Indiana;
(4) Regularly solicits business from potential customers in Indiana;
(5) Regularly performs services outside Indiana that are consumed within Indiana;
(6) Regularly engages in transactions with customers in Indiana that involve intangible property, including loans, and result in receipts flowing to the taxpayer from within Indiana;
(7) Owns or leases tangible personal or real property located in Indiana; or
(8) Regularly solicits and receives deposits from customers in Indiana.

Regularly, for purposes of the above listed tests, is defined as assets attributable in Indiana equal to at least $5,000,000.00 or twenty (20) or more Indiana customers.

EXEMPT ENTITIES

Four specific types of organizations are exempted from the franchise tax. They include insurance companies, international banking facilities, all "S" corporations, and not-for-profit corporations, except for state chartered credit unions. Federal law prohibits state taxation of federally chartered credit unions.

EXEMPT TRANSACTIONS

A taxpayer is not considered to be transacting business in Indiana if the ONLY activities of the taxpayer in Indiana are in connection with any of the following:

(1) Maintaining or defending an action or suit;
(2) Filing, modifying, renewing, extending, or transfering a mortgage, deed of trust, or security interest;
(3) Acquiring, foreclosing, or otherwise conveying property in Indiana as a result of a default under the terms of a mortgage, deed of trust, or security interest relating to the property;
(4) Selling tangible personal property, if taxation under this law is precluded because of federal law relating to interstate commerce;
(5) Owning an interest in the following types of property even though activities are conducted in Indiana that are reasonably required to evaluate and complete the acquisition or dispostion of the property, the servicing of the property, or the income from the property, or the acquisition or liquidation of collateral relating to the property:
   (A) An interest in a real estate mortgage investment conduit, a real estate investment trust, or a regulated investment company.
   (B) An interest in a loan backed security representing ownership or participation in a pool of promissory notes or certificates of interest that provide for payments in relation to payments or reasonable projections of payments on the notes or certificates.
   (C) An interest in a loan or other asset from which the interest is attributed to a consumer loan, a commercial loan or a secured commercial loan, and in which the payment obligations were solicited and entered into by a person that is independent and not acting on behalf of the owner.
   (D) An interest in the right to service or collect income from a loan or other asset from which interest on the loan is attributed as a loan described above, and in which the payment obligations were solicited and entered into by a person that is independent and not acting on behalf of the owner.

(E) An amount held in an escrow or trust account with respect to the property described above.

(6) Acting
- (A) As an executor of an estate;
- (B) As a trustee of a benefit plan;
- (C) As a trustee of an employee's pension, profit sharing, or other retirement plan;
- (D) As a trustee of a testamentary or inter vivos trust or corporate indenture; or
- (E) In any other fiduciary capacity, including holding title to real property in Indiana.

METHOD OF REPORTING

The law permits a taxpayer to report separately if it is a single entity. A combined return must be filed if there are two or more taxpayers in a unitary group. Members of a unitary group file collectively on one combined return. No provision is made for filing consolidated returns.

If the taxpayer is a member of a group, combined reporting is mandatory. However, if the taxpayer determines that its Indiana income is not accurately reflected by the filing of a combined return, the taxpayer may petition the Department for a separate filing. The petition is subject to approval by the Department. The petition to file separately must be completed and returned to the Department within thirty (30) days of the close of the taxpayer's taxable year. The petition must include the name and federal identification number for each member of the group that is petitioning to file separately. Each member must include its justification for filing separately. The approved petition from the Department must be attached to the FIT-20. Petitions should be sent to Indiana Department of Revenue, Tax Policy Division, Indiana Government Center North, Room N248, Indianapolis, Indiana 46204.

UNITARY GROUPS

The taxpayer designated as the reporting member of a unitary group shall file a combined return. Unity is presumed if there is unity of ownership, operation, or unity of use as evidenced by centralized purchasing, advertising, accounting, or other controlled interaction among entities that are members of the unitary group. Unity of ownership exists for a corporation if it is a member of a group of two or more business entities, and more than fifty percent (50%) of the voting stock is owned by a common owner or owners or by one or more of the member corporations of the group. See page 8, Instructions for Filing a Combined Return.

PARTNERSHIPS

Partnerships and trusts as entities are not subject to the franchise tax. However, partnerships and trusts that have corporate partners or corporate grantors and beneficiaries where the entity is conducting the business of a financial institution are required to file a partnership return, Form IT-65.

The following guidelines should be considered when preparing an informational return for a financial institution which is a partnership.

If the entity is a resident partnership and has nonresident corporate partners, the partnership is responsible to withhold and remit the nonresident corporation's tax liability on its apportioned income if the nonresident corporation is not otherwise a taxpayer for purposes of the tax. The apportioned income attributable to the partner is the same percentage as its distributive share. If the corporate partner is otherwise subject to the franchise tax, the corporate partner is responsible for the tax in accordance with its percentage share of the partnership's adjusted gross income or apportioned income.

If a resident corporate partner is not otherwise subject to the tax, the corporate partner must pay the tax liability attributable to its partnership income. The income attributed to the corporate partner's share which has been subject to the franchise tax, would not be included in the income calculation for purposes of the Indiana gross or adjusted gross income taxes.

NOTE: If a corporation is a financial institution that is also a partner in a partnership, and the partnership is transacting the business of a financial institution in Indiana, then the partner is a taxpayer for purposes of the financial institution franchise tax.

EXAMPLE: A bank in Maine is a partner with a bank in Indiana to make loans to Indiana borrowers. The only activity of the Maine bank is its involvement with the partnership. The partnership is required to withhold the Maine bank's share of the financial institution franchise tax.

UNITED STATES GOVERNMENT OBLIGATIONS

Although interest earned on United States obligations is not subject to income taxation, it is not preempted by federal law from being included in the tax base of a franchise tax. Therefore, interest from United States obligations is not to be subtracted from federal taxable income in determining the tax base of the franchise tax.

DUE DATE OF RETURN

The annual return is due on or before the fifteenth day of the fourth month following the close of the corporation's tax year.

EXTENSIONS FOR FILING

The Department recognizes the Internal Revenue Service's application for automatic extension of time to file (Form 7004). Do not file a separate copy of Form 7004 with the Department to request an Indiana extension. Attach a copy of the federal extension form when the Indiana return is filed. Returns received within thirty (30) days after the last date indicated on the extension form will be considered timely filed. In the event a federal extension is not needed, a separate Indiana extension may be requested by writing to the Indiana Department of Revenue, Returns Processing Center, Data Control Business Tax, 100 N. Senate Avenue, Indianapolis, Indiana 46204-2253.

Penalty for late payment will not be imposed if at least 90% of the tax reasonably expected to be due is paid by the original due date. The extension payment should be sent with Indiana Form FT-QP, Voucher 5, as a fifth quarter estimated payment. Any tax paid after the original due date must include interest. Contact the Department for the current interest rate.

QUARTERLY PAYMENTS

Quarterly payments of estimated tax are required under IC 6-5.5-6-3. They are due on the last day of the month following the close of the taxpayer's quarter. The payments must be made with quarterly estimated vouchers, Form FT-QP. Copies of the quarterly estimated vouchers, Form FT-QP, are located in the back of this publication. NOTE: If the annual tax liability is less than one thousand dollars ($1,000), estimated payments are not required to be made. If the quarterly estimated payment exceeds twenty thousand dollars ($20,000), payments must be made by electronic funds transfer (EFT). Contact the EFT Section for further information at (317) 232-5500.

NOTE: Use the vouchers provided in the back of this booklet (pages 18 and 19). The Department will not be mailing preprinted vouchers.

PENALTY FOR UNDERPAYMENT OF ESTIMATED TAXES (I.C. 6-5.5-7-1)

Corporations that are required to estimate their franchise tax will be subject to a ten percent (10%) underpayment penalty if they fail to file estimated tax payments or fail to remit a sufficient amount. To avoid the penalty, the required quarterly estimate should include at least twenty percent (20%) of the total franchise tax liability for the current taxable year or twenty-five percent (25%) of the corporation'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 corporation for each quarter and twenty-five percent (25%) of the corporation's final tax liability for the current tax year. Refer to Schedule FIT-2220, Underpayment of Estimated Tax by Financial Institutions.

IDENTIFICATION SECTION OF RETURN

Questions A through N of the FIT-20 must be completed in order for the return to be accepted by the Department. Please use the correct legal name of the corporation and present mailing address. It is important that the federal identification number shown in the box be correct and complete.

List the Indiana county for your primary business location within the state. Place "O.O.S." in the county box for addresses outside Indiana.

Enter your federal business activity code in the designated box on the return. Use numeric characters only.

If you are a state chartered credit union or an investment company you need to check the box indicated and note the special instructions at the beginning of the line by line instruction section.

LINE BY LINE INSTRUCTIONS

LINE 1. Enter federal taxable income from Federal Form 1120 before the net operating loss deduction or the special federal deduction. NOTE: If the taxpayer is a state chartered credit union or an investment company registered under the Investment Company Act of 1940, go to line 18 of the instructions to calculate the taxable income.

LINE 2. Enter the qualifying dividend deduction.

LINE 3. SUBTOTAL: Subtract line 2 from line 1.

ADD BACKS:
Lines 4 through 11 are add backs to federal taxable income that have been deducted at the federal level.

LINE 4. Enter the amount deducted for bad debt (I.R.C. sec. 166).

LINE 5. Enter the amount deducted for bad debt reserves of banks (I.R.C. sec. 585).

LINE 6. Enter the amount deducted for bad debt reserves (I.R.C. sec. 593).

LINE 7. Enter the amount deducted for charitable contributions (I.R.C. sec. 170).

LINE 8. Enter the amount deducted on the federal return for all state and local income taxes paid.

LINE 9. Enter all property taxes that were deducted. This includes property taxes imposed both on real and personal property whether levied at the state level or by a political subdivision of a state.

LINE 10. Enter the amount deducted on federal Schedule D for net capital loss carry forwards deducted in this taxable year that were incurred prior to January 1, 1990. EXAMPLE: A calendar year taxpayer has a $400,000 net capital loss carry forward for tax year 1989. In 1990, the taxpayer has capital gains of $1,200,000 and current year capital losses of $900,000. Current year capital losses are deducted first. Therefore, the taxpayer will be deducting $300,000 in capital losses that have been carried forward from tax year 1989. The taxpayer will have netted his capital gains to zero for purposes of federal Schedule D. The taxpayer will be required to add back the $300,000 that was applied against the 1990 gains and were carried forward from 1989 on line 10. There is still a $100,000 balance of net capital loss carry forwards to be deducted at the federal level, and added back to Indiana franchise income in some future tax year.

LINE 11. Enter the amount of interest on state and local obligations excluded under I.R.C. section 103, or under any other federal law, minus the associated expenses disallowed in the computation of taxable income under I.R.C. section 256.

LINE 12. TOTAL ADD BACKS: Add lines 4 through 11.

LINE 13. TOTAL INCOME: Add line 3 and line 12.

DEDUCTIONS FROM INCOME:

LINE 14. Subtract income that is derived from sources outside the United States as defined in the Internal Revenue Code.

LINE 15. Subtract an amount equal to a debt or portion of a debt that becomes worthless (I.R.C. sec. 166).

LINE 16. Subtract an amount equal to any bad debt reserves that are included in federal income because of accounting method changes required by I.R.C. sec. 585(c)(3)(A).

LINE 17. TOTAL DEDUCTIONS: Add lines 14 through 16.

LINE 18. ADJUSTED GROSS INCOME: Subtract line 17 from line 13.

NOTE: Resident taxpayers filing separately are required to attribute one hundred percent (100%) of their receipts to Indiana. There is no apportionment for out of state transactions; therefore, resident taxpayers should skip lines 20 through 22, and enter the adjusted gross income on line 23, Total Franchise Income.

NOTE: State chartered credit unions should begin on line 18 by entering the "adjusted gross income". For resident state chartered credit unions "adjusted gross income" equals the total transfers to undivided earnings, minus dividends for that taxable year after statutory reserves are set aside under I.C. 28-7-1-24. In other words, "adjusted gross income" can be defined as net transfers to undivided earnings. No other deductions are permitted. The above definition also applies to a nonresident credit union.

NOTE: In the case of an investment company, "adjusted gross income" means the company's federal taxable income.

LINE 19. ADJUSTED GROSS INCOME: Enter the amount from line 18.

LINE 20. APPORTIONMENT PERCENTAGE: (See instructions for Schedule E-U). This line should only be used by nonresident taxpayers and unitary groups which include nonresident members. Enter figure from line 14 of Schedule E-U.

LINE 21. APPORTIONED INCOME FROM A NONRESIDENT TAXPAYERS AND UNITARY GROUPS WHICH INCLUDE NONRESIDENT MEMBERS: The taxpayer or unitary group should multiply the apportionment percentage entered on line 20 of this return, as taken from Schedule E-U, by the adjusted gross income on line 19.

LINE 22. FOR DEPARTMENT USE ONLY.

LINE 23. TOTAL FRANCHISE INCOME: Enter the amount from line 18 or line 21.

LINE 24. INDIANA NET OPERATING LOSS: Only those unused net operating losses incurred for taxable years beginning after December 31, 1989, may be deducted. The amount to report on this line is the Indiana portion of the net operating loss, and can not exceed the amount reported on line 23. Net operating losses can be carried forward for fifteen (15) years; however, there is no provision for loss carry backs. NOTE: You must complete and attach Schedule FIT-20 NOL to the return. (See page 14 for instructions).

LINE 25. INDIANA FRANCHISE TAX INCOME: Subtract line 24 from line 23.

LINE 26. INDIANA FRANCHISE TAX DUE: Multiply the amount on line 25 by 8.5% (.085). If line 25 is a loss amount, enter zero on this line.

LINE 27. RESIDENT TAXPAYER CREDIT: Resident taxpayers and resident taxpayer members of a unitary group are entitled to a credit for taxes paid to other states. To claim the credit for taxes paid to other states, the taxpayer must attach a separate schedule listing the state and the amount of tax paid to the state. The amount of credit is the amount of tax actually paid by the resident taxpayer to the other state if the tax is based on income; or the lesser of the following two (2) amounts: (1) The taxpayer's adjusted gross income that is subject to taxation by the other taxing jurisdiction multiplied by Indiana's tax rate; or (2) The amount of adjusted gross income that would be attributed to the other state if the taxpayer was a nonresident taxpayer, multiplied by Indiana's tax rate (see instructions for Schedule FIT-NRTC on page 17).

LINE 28. NONRESIDENT TAXPAYER CREDIT: To claim this credit, you must attach a copy of your domiciliary state's tax return. Nonresident taxpayers may be able to claim a credit for taxes paid to their domiciliary state. To be eligible to claim the credit, several conditions must be met. (1) the receipt of interest or other income from the loan is attributed to both the domiciliary state and also to Indiana, and (2) the principal amount of the loan is at least two million dollars ($2,000,000).

To determine the amount of tax attributable to the loan transaction, divide the total receipts from qualified loans by total receipts attributable to Indiana. Multiply that quotient expressed as a percentage by the total amount of tax due to determine the amount of tax attributable to the loan. This is the amount of credit that may be available. The actual credit is equal to the lesser of the actual taxes paid to the domiciliary state for the loan transaction, or the amount due to Indiana on the loan transaction. If the taxpayer's domiciliary state grants a credit for taxes paid to other states, the credit available for purposes of Indiana's tax must be reduced by the amount of the credit granted by the taxpayer's domiciliary state. (See the instructions for completing Schedule FIT-NRTC on page 17.)

NOTE: Resident/nonresident credits are determined for each taxpayer member of a unitary group on an individual basis, notwithstanding that adjusted gross income is reported on a combined basis for all members of a unitary group.

LINE 29. NET FRANCHISE TAX DUE: Subtract the amount on line 27 and line 28 from the amount on line 26.

LINE 30. USE TAX DUE: Taxpayers are required to report and pay use tax as a part of their franchise tax return on purchases from out-of-state firms for which sales tax was not charged. Purchases subject to use tax include (but are not limited to) subscriptions to magazines and periodicals, and property purchased exempt from tax by use of an exemption certificate, and later converted to a non exempt use by the business. To calculate the amount of purchases subject to the use tax, please see Schedule SUT and enter the amount on line 30.

LINE 31. SUBTOTAL DUE: Add line 29 and line 30.

LINE 32. ENTERPRISE ZONE EMPLOYMENT EXPENSE CREDIT: This credit is calculated on Schedule EZ, and should be entered on line 32. For further information on enterprise zone tax benefits, refer to Income Tax Information Bulletin # 66.

LINE 33. TEACHER SUMMER EMPLOYMENT CREDIT: This credit is available to taxpayers that hire math or science teachers during summer school vacation. The credit for each teacher hired is the lesser of $2,500 or 50% of the compensation paid. The credit should be claimed on line 33. NOTE: The Professional Standards Board will certify the qualified positions, and Schedule TSE must be attached to the return. Contact the Department of Education at (317) 232-6675 for more information on this credit.

LINE 34. ENTERPRISE ZONE LOAN INTEREST CREDIT: This credit should be calculated on Schedule LIC and entered on line 34. For further information about this credit, refer to Income Tax Information Bulletin #66.

LINE 35. NEIGHBORHOOD ASSISTANCE CREDIT: An approved neighborhood assistance credit form NC-20 must be attached and the credit is claimed on line 35. For further information, refer to Income Tax Information Bulletin #22.

LINE 36. INDUSTRIAL RECOVERY TAX CREDIT: The amount of credit should be entered on line 36. A copy of the approved certification entered by the enterprise zone board must be attached to the return. The credit is based upon the taxpayer's qualified investment in a vacant industrial facility within a designated industrial recovery site. A "vacant industrial facility" means a tract of land on which there is located a vacant plant that (1) has at least three hundred thousand (300,000) square feet of floor space; (2) was placed in service at least twenty (20) years ago; and (3) has been vacant for two (2) or more years unless the tract and the land are owned by a municipality or a county, in which case the two (2) year requirement does not apply. In general, an industrial facility that meets the definitions outlined above may be termed an industrial recovery site".

After approval by ordinance or resolution of the municipal legislative body, the executive of the municipality may submit an application to the enterprise zone board requesting that a vacant industrial facility be designated as an industrial recovery site. If the enterprise zone board approves the application and the plan for rehabilitation, the taxpayer is then entitled to a credit based upon the "qualified investment." The credit may be used to offset the taxpayer's franchise tax liability, but any excess credit must be carried forward to the immediately following taxable year. A taxpayer is not entitled to a carry back or refund of any unused credit. Additional information, 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 700, Indianapolis, IN 46204.

LINE 37. Enter and specify the amount of other credits:

PERSONAL COMPUTER TAX CREDIT - An income tax credit of $125 per unit of qualified personal computer equipment donated to a not-for-profit Educational Service Center in conjunction with the Buddy-Up with Education program may be claimed. Attach approved Form PC-20 to the return. Form PC 10/20, Personal Computer Tax Credit Application, is available from the Department. For more information about this program call the Central Indiana Educational Service Center at (317) 387-7100.

LINE 38. TOTAL CREDITS: Add the amounts included on lines 32 through 37.

LINE 39. TOTAL TAX DUE: Subtract the amount on line 38 from the amount on line 31.

LINE 40. TOTAL ESTIMATED TAX PAID: Enter the total amount of estimated tax paid for the taxable year. Itemize each quarterly payment in the spaces provided. NOTE: If the annual franchise tax liability is less than one thousand dollars ($1,000), estimated payments are not required to be made.

LINE 41. EXTENSION PAYMENT AND PRIOR YEAR OVERPAYMENT: Enter any payment that was made with an extension of time to file request, and any prior year overpayment credit that is being applied. NOTE: This provision only applies to prior year overpayment of the franchise tax, and does not apply to other taxes paid for taxable years beginning on or before December 31, 1989. Indiana will accept the federal extension date, plus an additional thirty (30) days. However, an extension of time to file is <u>not</u> an extension of time to pay. You must pay at least ninety percent (90%) of the current year liability by the original due date of the franchise tax return.

LINE 42. OTHER PAYMENTS: Enter any other payments that are allowable and attach an explanation.

LINE 43. TOTAL PAYMENTS: Add lines 40 through line 42.

LINE 44. BALANCE OF TAX DUE: Subtract the amount on line 43 from line 39.

LINE 45. PENALTY FOR UNDERPAYMENT: Enter the penalty, if any, for underpayment of estimated tax as calculated on FIT-2220.

LINE 46. INTEREST: If payment is made after the original due date, interest must be included with the payment. Interest is calculated from the original due date of the return until the date of payment. Contact the Department for the current interest rate. NOTE: An extension of time to file does not grant an extension of time to pay any tax due; therefore interest must be calculated.

PUBLIC LAW #48 (1994), effective January 1, 1995, changed the method of calculating the interest rate charged on the overpayment and underpayment of tax. The new method is the average investment yield on state money for the state's previous fiscal year rounded to the nearest whole number. This will be the rate of interest to be paid on an overpayment. For an underpayment of tax the interest is calculated in the same manner plus two percentage points. The rate of interest charged on an underpayment will be two percent (2%) more than the rate of interest paid on an overpayment.

LINE 47. LATE PAYMENT PENALTY: If a payment is made after the original due date, a penalty which is the greater of five dollars ($5.00) or ten percent (10%) of the remaining tax due must be entered on this line. NOTE: The penalty for late payment or late filing will not be imposed if all three of the following conditions are met:

(1) An extension of time to file exists;

(2) At least ninety percent (90%) of the tax reasonably expected to be due was paid by the original due date; AND,

(3) The remaining tax is paid by the extended due date.

IC 6-8.1-10-2.1 was amended, effective July 1, 1994, to remove a separate penalty provision on late file Indiana special corporations and instead provides that all corporations pay a penalty if a return that shows no tax liability for a taxable year is filed past its due date. The penalty will be $10 for each day the return is past due, up to a maximum of $250.

Generally, if a return with an income tax liability is filed late the imposed penalty is 10% of the unpaid tax. The penalty for each information return filed late remains at $10.

LINE 48. TOTAL DUE: If a payment is due, enter the total tax due plus any applicable penalty and interest on line 48. Make checks payable to the Indiana Department of Revenue.

LINES 49, 50 & 51. TOTAL OVERPAYMENT: If the taxpayer has an overpayment which is determined by subtracting the amount on line 39 and line 45 from the amount on line 43, the corporation may elect to have a portion or all of its overpayment credited to next year's estimated tax account. The portion to be refunded should be entered on line 50. The portion to be applied to next year's account should be entered on line 51. The total of line 50 and line 51 must equal the amount on line 49. NOTE: If your overpayment is reduced due to an error on the return or an adjustment by the Department, the amount to be refunded will be corrected before any changes are made to the estimated account for next year.

INSTRUCTIONS FOR FILING A COMBINED RETURN: ATTRIBUTING RECEIPTS OF A TAXPAYER FILING A COMBINED RETURN

In calculating adjusted gross income, the taxpayer shall eliminate all income and deductions from transactions between entities that are included in the unitary filing.

A taxpayer filing a combined return for its unitary group shall determine the income for a taxable year that is attributable to Indiana by use of the following formula:

(1) the aggregate adjusted gross income, from whatever source derived, of the resident taxpayer members of the unitary group and the nonresident members of the unitary group; multiplied by

(2) the quotient of:

(A) all the receipts of the resident taxpayer members of the unitary group from whatever source derived plus the receipts of the nonresident taxpayer members of the unitary group that are attributable to transacting business in Indiana; divided by

(B) the receipts of all members of the unitary group from transacting business in all taxing jurisdictions.

Identify the members of the unitary group and determine whether those members are taxpayers under the Indiana Financial Institution Franchise Tax Act. To be a taxpayer under the Act, the member must be transacting the business of a financial institution in Indiana as defined in the Financial Institution Franchise Tax Act (I.C. 6-5.5).

A. State of Commercial Domicile: If the member's state of commercial domicile is Indiana, then all receipts are attributable to Indiana, and there is no apportionment for out of state receipts. However, if the unitary group has members whose state of commercial domicile is not Indiana, then the group will file Schedule E-U to apportion its receipts to Indiana.

B. Percent of Ownership by Parent: In order to qualify as a member of a unitary group more than fifty percent (50%) of the voting stock of each member of the group must be directly or indirectly owned by a common owner or common owners, or owned by one or more of the member corporations of the group, regardless where such business is conducted. The group is comprised of all unitary affiliates which are conducting the business of a financial institution, whether or not such business is conducted in Indiana.

C. Regular Financial Institutions: A regulated financial corporation, a holding company, or a subsidiary of a regulated financial corporation or holding company, as defined in I.C. 6-5.5-1-17, is required to file a combined return for all members of the unitary group.

D. Other Corporations: In order to be a member of the unitary group for purposes of the financial institution franchise tax, and to be a part of this combined filing, the corporation must derive at least eighty percent (80%) of its gross receipts from the extension of credit, leasing that is the economic equivalent of the extension of credit, or charge card operations. If a member does not meet the eighty percent (80%) test, then it is not a member and cannot file as a member for purposes of the financial institution franchise tax.

E. Federal Identification Number: Identify each corporate member of the unitary group by listing their federal identification numbers.

F. Federal Business Activity Code: Indicate the applicable federal business activity code for each member of the group.

G. Quarterly Payments of Estimated Tax: Indicate for each member if quarterly estimated payments of the financial institution franchise tax were made by the member under its own federal identification number. If estimates were paid, indicate whether payments were made to a Form IT-6 or Form FT-QP estimated account.

INDIANA DEPARTMENT OF REVENUE

FINANCIAL INSTITUTION FRANCHISE TAX RETURN

FOR CALENDAR YEAR ENDING DECEMBER 31, 1995

FIT-20 OR FISCAL YEAR BEGINNING_________,1995 AND ENDING _________,19____

Revised 9/95 SF 44623

(DO NOT WRITE ABOVE)

Name of Corporation		Federal Identification Number
Number and Street	County	Federal Business Activity Code
City State	Zip Code	Corporation Telephone Number ( )

Check box if this is a state chartered credit union or an investment company registered under the Investment Company Act of 1940 . ☐

A. Is 80% or more of your gross income derived from making, acquiring, selling, or servicing loans or extensions of credit? ☐ Yes ☐ No If you answer no, do not file this return (File Form IT-20).

B. Are you a member of a partnership? ☐ Yes ☐ No If you answer yes, see instructions page 4.

C. Incorporated in ______________________________

On ________/________/________

D. State of Commercial Domicile ______________________________

E. Total assets of the corporation ______________________

F. Accounting method: Cash______ or Accrual_____

G. Is the corporation in a bankruptcy proceeding? ☐ Yes ☐ No

H. Location of accounting records if different from above address: ______________________________

I. Is this the corporation's first Indiana franchise tax return? ☐Yes ☐No

J. Did the corporation make estimated tax payments using the above Federal Identification Number? ☐ Yes ☐No List any other Federal Identification Numbers on Schedule H.

K. Is this return for a period of less than a year? ☐Yes ☐No

L. Enter principal business activity ______________________________

M. Is this return filed on a combined basis under the unitary concept? ☐Yes ☐No

N. Is this a separate return by a member of a unitary group? (See instructions page 4) ☐Yes ☐No

SCHEDULE A

1. Federal taxable income (before net operating loss deduction and special federal deduction)			1	
2. Qualifying dividend deduction			2	
3. Subtotal (Subtract line 2 from line 1)			3	
ADD BACK: Enter an amount equal to the deduction taken for:				
4. Bad debts (I.R.C. sec. 166)	4			
5. Bad debt reserves for banks (I.R.C. sec. 585)	5			
6. Bad debt reserves (I.R.C. sec. 593)	6			
7. Charitable contributions (I.R.C. sec. 170)	7			
8. All state income and local taxes	8			
9. All real estate and personal property taxes	9			
10. Net capital losses (deducted on the federal return and incurred in taxable years beginning before January 1, 1990)	10			
11. Amount of interest excluded for state and local obligations (I.R.C. sec. 103), minus the associated expenses (I.R.C. sec. 265)	11			
12. TOTAL ADD BACKS: (Add lines 4 through 11)	12			
13. TOTAL INDIANA GROSS INCOME (Add line 3 and line 12)			13	
DEDUCTIONS:				
14. Subtract income that is derived from sources outside the United States, and was included in federal taxable income	14			
15. Subtract an amount equal to a debt or portion of a debt that becomes worthless (I.R.C. sec. 166)	15			
16. Subtract an amount equal to any bad debt reserves that are included in federal income because of accounting method changes (I.R.C. sec. 585 (c) (3) (a))	16			
17. TOTAL DEDUCTIONS: (Add lines 14 through 16)	17			
18. ADJUSTED GROSS INCOME: (Subtract line 17 from line 13)			18	

19. Adjusted gross income (Amount from line 18)		19	
20. Apportionment Percentage for a nonresident taxpayer and unitary groups which include nonresident members (Box number 96 of Schedule E-U)		20	%
21. Apportioned Indiana income attributable to Indiana	21		
22. Department use only. Do not write in this space.	22		
23. Total Franchise Income: Amount from line 18 or line 21		23	
24. Indiana Net Operating Loss from FIT-20 NOL		24	
25. INDIANA FRANCHISE TAX INCOME (Subtract line 24 from line 23)		25	
26. FINANCIAL INSTITUTION FRANCHISE TAX (Multiply line 25 by .085)		26	
27. LESS: Resident Taxpayer Credit (See instructions)		27	
28. LESS: Nonresident Taxpayer Credit (Attach FIT-NRTC)		28	
29. NET FRANCHISE TAX DUE (Subtract lines 27 and 28 from line 26)		29	
30. USE TAX DUE (See instructions)		30	
31. SUBTOTAL DUE (Add lines 29 and 30)		31	
CREDITS (Attach schedules):			
32. Enterprise Zone Employment Expense Credit (EZ 2)	32		
33. Teacher Summer Employment Credit (TSE)	33		
34. Enterprise Zone Loan Interest Credit (LIC)	34		
35. Neighborhood Assistance Credit (NC-20)	35		
36. Industrial Recovery Tax Credit	36		
37. Other ______________________________	37		
38. TOTAL CREDITS: (Add lines 32 through 37)		38	
39. NET TAX DUE: (Subtract line 38 from line 31)		39	
40. Total estimated franchise tax paid (Itemize below) 1.__________ 2.__________ 3.__________ 4.__________	40		
41. Extension payment __________ and prior year overpayment credit __________ Enter combined total	41		
42. Other payments (Attach supporting documentation)	42		
43. Total Payments (Add lines 40 through 42)		43	
44. BALANCE OF TAX DUE (Subtract line 43 from line 39. If 43 exceeds 39 - Enter 0)		44	
45. Penalty for the Underpayment of Tax from Schedule FIT-2220 (Page 15)		45	
46. If payment is made after the original due date, add interest (See instructions)		46	
47. If payment is made after the original due date, add penalty (See instructions)		47	
48. TOTAL DUE (Add lines 44 though 47)		48	
49. Total Overpayment (Subtract lines 39 and 45 from line 43)	49		
50. REFUND (Enter portion of line 49)	50		
51. OVERPAYMENT CREDIT (Amount of line 49 to be applied to next year's estimated tax account		51	

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

Signature of Corporate Officer	
Title	Date / /
Signature of Paid Preparer	
Preparer's Telephone Number ( )	Date / /
Identification Number	

Make check payable and mail to:
Indiana Department of Revenue
100 N. Senate Avenue
Indianapolis, IN 46204-2253

For Department Use Only	
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Indiana Department of Revenue
FINANCIAL INSTITUTION FRANCHISE TAX RETURN

SCHEDULE E-U - Apportioning receipts of nonresident taxpayers or unitary groups which include nonresident members

SF 44622

Taxpayer Name	Federal Identification Number

The following information must be completed by nonresident taxpayers that are not members of unitary groups and/or unitary groups which include nonresident members. NOTE: Resident taxpayers who are members of unitary groups must attribute all receipts to Indiana.

	Nonresident Members				Resident Members	
	Column A Total Receipts Attributed to Indiana		Column B Total Receipts Everywhere		Column C Total Receipts Attributed to Indiana	Column D Total Receipts Everywhere
1. Lease or rental of real or tangible personal property	70		83			
2. Interest income and other receipts from assets in the nature of loans or installment sales contracts secured by real or tangible personal property	71		84			
3. Interest income and other receipts from consumer loans that are not secured	72		85			
4. Interest income and other receipts from commercial loans and installment obligations not secured by real or tangible personal property	73		86			
5. Fee income and other receipts from letters of credit, acceptance of drafts, and other devices for guaranteeing loans or letters of credit	74		87			
6. Interest income, merchant discounts, and other receipts including service charges from credit cards and travel and entertainment credit cards, and credit card holder's fees	75		88			
7. Receipts from the sale of a tangible or intangible asset must be attributed to the same state in which the income from the tangible or intangible asset was attributed	76		89			
8. Receipts from the performance of fiduciary and other services, based on where the benefits are consumed	77		90			
9. Receipts from the issuance of traveler's checks, money orders or United States Savings Bonds	78		91			
10. Receipts from investments in securities of Indiana and its political subdivisions and instrumentalities	79		92			
11. Interest income and other receipts from participation loans	80		93			
12. For Department Use Only	81		94			
13. TOTAL RECEIPTS: (Add lines 1 through 11 in columns A, B, C and D)	82		95			
14. Divide the sum of line 13 columns A and C by the sum of line 13 columns B and D. Express the amount as a percentage (i.e. 67.89%). Enter the percentage here and on line 20 of the FIT-20	96					

INSTRUCTIONS FOR SCHEDULE E-U APPORTIONMENT OF RECEIPTS TO INDIANA

NOTE: The following information must be completed by all nonresident taxpayers and taxpayers filing Combined Unitary returns including resident and nonresident members.

The Financial Institutions Tax is measured by federal adjusted gross income with modifications to arrive at the tax base. If the corporation is operating both inside and outside of Indiana, income is apportioned based on a one factor formula. The one factor that is used is RECEIPTS.

Nonresident taxpayers and unitary groups which include nonresident members should file using an apportionment percentage, based on Indiana receipts and total receipts. Indiana receipts are divided by total receipts to arrive at a fraction expressed as a percentage. Total income is then multiplied by this percentage to arrive at Indiana franchise income.

THE FOLLOWING TYPES OF RECEIPTS ARE ATTRIBUTABLE TO INDIANA

(1) Receipts from the lease of rental or real or tangible personal property if the property is located in Indiana.

(2) Interest income and other receipts from assets in the nature of loans or installment sales that are primarily secured by or deal with real or tangible personal property, and the property is located in Indiana.

(3) Interest income and other receipts from consumer loans not secured by real or tangible personal property if the loan is made to a resident of Indiana.

(4) Interest income and other receipts from commercial loans not secured by real or tangible personal property must be attributed to Indiana if the proceeds of the loan are to be applied in Indiana. If it cannot be determined where the loan proceeds will be applied, the income and receipts are attributed to the state where the borrower applied for the loan.

(5) Fee income and other receipts from letter of credit, acceptance of drafts, and other devices for guaranteeing loans must be attributed in the same manner as commercial loans are attributed.

(6) Interest income, merchant discount, and other receipts including service charges from financial institution credit card and travel and entertainment card receivables will be attributed to the state to which the card charges are regularly billed.

(7) Receipts from the sale of a tangible or intangible asset must be attributed to the same state in which the income from the tangible or intangible asset was attributed.

(8) Receipts from the performance of fiduciary and other services must be attributed to the state in which the benefits of the services are consumed.

(9) Receipts from the issuance of traveler’s checks, money orders or United States savings bonds must be attributed to the state in which the item was purchased.

(10) Receipts from investments of a financial institution in securities of this state and its political subdivisions, agencies, and instrumentalities must be attributed to Indiana.

(11) Interest income and receipts from a participation loan must be attributed in the same manner as the loan is attributed. A participation loan is a loan in which more than one lender is a creditor to a common borrower.

SPECIAL REMINDERS

1. Financial Institutions filing on a fiscal year basis must enter their tax year beginning and ending dates.

2. Net operating loss deductions must be supported by the completed Schedule FIT-20NOL attached to the return.

3. The FIT-2220, Underpayment of Estimated Tax by Financial Institutions, must be completed to reflect the applicable penalty. See page 15.

4. Questions A thorough N on the front of the return must be answered.

5. A copy of the first four pages of the corporation's federal tax return must be attached to the Form FIT-20 when filed.

6. If an extension of time to file exists, the corporation must prepay at least 90% of the tax reasonably expected to be due by the original due date. Failure to do so will result in a 10% penalty on the amount paid after the original due date. Interest will be due on any payment made after the original due date.

7. If applicable, check the box indicating you are either a state chartered credit union or an investment company.

If you have any questions refer to Commissioner's Directive #14 or contact the Corporate Income Tax Section at (317) 232-2189.

SCHEDULE FIT-20 NOL - NET OPERATING LOSS DEDUCTION

SF 44624

CORPORATION NAME:	FEDERAL IDENTIFICATION NUMBER

Tax Year

		1990	1991	1992	1993	1994	1995	1996	1997
1. AGI or (Loss)									
2. Apportionment %									
3. Indiana AGI or (Loss)									
Loss Year	Total Indiana Loss from Tax Year								
1990									
1991									
1992									
1993									
1994									
1995									
1996									
Adjusted Gross Income After NOL Deduction									

Tax Year

		1998	1999	2000	2001	2002	2003	2004	2005
1. AGI or (Loss)									
2. Apportionment %									
3. Indiana AGI or (Loss)									
Loss Year	Total Indiana Loss from Tax Year								
1990									
1991									
1992									
1993									
1994									
1995									
1996									
1997									
1998									
1999									
2000									
2001									
2002									
2003									
2004									
Adjusted Gross Income After NOL Deduction									

INSTRUCTIONS TO SCHEDULE FIT-20NOL NET OPERATING LOSS DEDUCTION

NOTE: The Financial Institution Franchise Tax took effect for taxable years beginning after December 31, 1989. There is no provision to allow a carry forward of net operating losses that were incurred under the adjusted gross income tax. A net operating loss can be carried forward for fifteen (15) tax years following the loss year, if the loss was incurred for taxable years beginning after December 31, 1989. There is no provision for a net operating loss carry back.

WHO SHOULD FILE SCHEDULE FIT-20NOL

All taxpayers must complete and attach this schedule to the Financial Institution Franchise Tax Return if they are claiming a net operating loss deduction. The net operating loss that will be recognized for Financial Institution Franchise Tax purposes will be the net operating loss apportioned to Indiana for the taxable year of the loss.

If the taxpayer is filing a combined return, any net operating loss attributable to Indiana in the combined return shall be prorated between each member of the unitary group by the quotient of:
(A) the receipts of that taxpayer member attributable to Indiana; divided by
(B) the receipts of all members of the unitary group attributable to Indiana.

LINE BY LINE INSTRUCTIONS

INFORMATION BOXES: Complete the information boxes with the corporation name and the federal identification number.

TAX YEAR: These are the years listed across the top of the schedule. The first year that a loss can be carried forward under the act is for taxable years beginning after December 31, 1989. In other words, no taxable year beginning before January 1, 1990 is eligible to be used as a loss carryforward.

LINE 1 - Enter the adjusted gross income or loss from line 19 of the FIT-20.

LINE 2 - If this schedule is being used by a nonresident taxpayer, enter the apportionment percentage for the tax year.

LINE 3 - Enter the amount of Indiana business income or loss. Use the amount on line 1 if this is a resident taxpayer. If it is a nonresident taxpayer, multiply the amount on line 1 by the apportionment percentage on line 2.

LOSS YEAR CARRY FORWARDS APPLIED AGAINST ADJUSTED GROSS INCOME

In the column next to the appropriate loss year, enter the total Indiana loss that coincides with line 3 of this schedule for the corresponding loss year. When taking the NOL deduction for a particular loss year, enter the amount of deduction in the same column of the year that the loss is being taken against adjusted gross income.

When calculating the adjusted gross income after the NOL deduction, subtract the total deductions taken from the adjusted gross income, and enter the amount on the line titled “Adjusted Gross Income after NOL Deduction”. The amount cannot be less than zero.

NOTE: You are not required to file a separate loss schedule for each year there is a loss. Only file the schedule when you are taking the loss deduction. You may copy a previous tax year's schedule and include the information that applies for any subsequent taxable years.

SCHEDULE FIT-20 NOL - NET OPERATING LOSS DEDUCTION

CORPORATION NAME: | FEDERAL IDENTIFICATION NUMBER

Tax Year

	1990	1991	1992	1993	1994	1995	1996	1997
1. AGI or (Loss)	**(100,000)**	**(75,000)**	**140,000**	**120,000**				
2. Apportionment %	**80%**	**80%**	**80%**	**80%**				
3. Indiana AGI or (Loss)	**(80,000)**	**(60,000)**	**112,000**	**96,000**				
Loss Year	Total Indiana Loss from Tax Year							
1990	**80,000**		**80,000**					
1991	**60,000**		**32,000**	**28,000**				
1992								
1993								
1994								
1995								
1996								
Adjusted Gross Income After NOL Deduction			**0**	**68,000**				

Tax Year

	1998	1999	2000	2001	2002	2003	2004	2005
1. AGI or (Loss)								
2. Apportionment %								
3. Indiana AGI or (Loss)								
Loss Year / Total Indiana Loss from Tax Year								
1990								
1991								
1992								
1993								
1994								
1995								
1996								
1997								
1998								
1999								
2000								
2001								
2002								
2003								
2004								
Adjusted Gross Income After NOL Deduction								

INDIANA FINANCIAL INSTITUTION FRANCHISE TAX RETURN

SCHEDULE H - OTHER CORPORATIONS THAT MADE ESTIMATED PAYMENTS:

List below the federal identification number for any corporations that made estimated tax payments during the year, and are included in this filing if it is for a unitary group. Attach additional sheets if necessary.

Name of Corporation	Federal Identification Number	Total Payments

SCHEDULE SUT - SALES AND USE TAX COMPUTATION FOR OUT-OF-STATE PURCHASE:

This schedule is to be completed if you had purchases subject to use tax because sales tax was not paid at the time of purchase.

Type of Purchase	Total Purchases
Mail order merchandising firms	
Books, equipment and various supplies	
Magazines and other subscriptions	
Exempt purchases ultimately used for non-exempt purposes......................................	
Taxable purchases made in other states on which no sales tax was charged................	
GRAND TOTAL OF PURCHASES SUBJECT TO USE TAX	
Multiply grand total by 5%	X .05
TOTAL USE TAX DUE - Enter here and on line 30 of Form FIT-20	

SCHEDULE FIT-2220

Indiana State Form 44628 Part SP244

UNDERPAYMENT OF ESTIMATED TAX BY FINANCIAL INSTITUTIONS

Name	Federal Identification Number

CALCULATE MINIMUM QUARTERLY PAYMENT

1. Net tax due (line 39 of Form FIT-20)	1	
2. Use tax due (line 30 of Form FIT-20)	2	
3. Subtract line 2 from line 1: Net Franchise Tax Due	3	
4. Multiply line 3 by 80% (.80)	4	
5. Enter 25% (.25) of line 4 (Enter here and on line 8)..	5	

CALCULATE QUARTERLY UNDERPAYMENT PENALTY

	(a) 1st Quarter	(b) 2nd Quarter	(c) 3rd Quarter	(d) 4th Quarter
6. Enter due date of quarterly estimate..				
7. Enter the amount paid for each quarter...				
8. Enter the lesser of the amount from line 5 above, or 25% of the previous year franchise tax liability..				
9. Overpayment or underpayment (Subtract line 8 from line 7. Overpayments will be a positive figure. Underpayments will be a negative figure.)...............................				
10. Enter overpayment, if any, from line 11 of the preceding column in excess of any prior underpayments..				
11. Subtract line 10 from line 9 (If result is a negative, this is your underpayment)........				
12. Compute 10% penalty on the underpayment amount on line 11 (Enter as positive numbers)				

13. Add line 12, columns A through D and enter total here and on line 45 of Form FIT-20.. ______

SCHEDULE
FIT-NRTC
REVISED 9-95
SF 44625

INDIANA DEPARTMENT OF REVENUE
NONRESIDENT TAX CREDIT

Taxpayer Name	Federal Identification Number

PART I: IDENTIFICATION SECTION

Name of Borrower	Principal Amount of Loan	Receipts Attributed to Loan
Totals	$	$

PART II: CALCULATION SECTION

1. Enter the total receipts from Part I	1	
2. Enter the total receipts attributable to nonresident	2	
3. Divide line 1 by line 2. Express as a percentage (i.e. .5086 = 50.86%)	3	%
4. Enter the amount of tax attributable to nonresident (from a proforma schedule)..	4	
5. Multiply the percentage from line 3 by the amount on line 4	5	
6. Enter the amount of taxes paid to your state of commercial domicile for the qualified loans listed in Part I	6	
7. Enter the lesser of the amounts from lines 5 or 6. Enter this amount on line 28 of the Form FIT-20	7	

INSTRUCTIONS FOR SCHEDULE FIT-NRTC

The following schedule is to be used for nonresident taxpayers that are claiming the nonresident taxpayer credit for taxes paid to their state of commercial domicile and attributable to Indiana.

NOTE: A taxpayer filing on a unitary basis must compute this credit on an individual taxpayer basis.

NOTE: The principal amount of the loan must exceed two million dollars ($2,000,000.00) to qualify for this credit.

PART I - Identification Section: In this section, identify the borrower, the principal amount of the loan, and the receipts less principal attributed to the loan during the tax year. Attach additional sheets if necessary.

PART II - Calculation Section: In this section you will calculate the amount of credit for which you are eligible. The credit is equal to the lessor of the actual taxes paid to the domicilary state for the loan transaction, or the amount due Indiana for the loan transaction.

LINE 1. Enter the total from PART I (Receipts attributable to the loan transaction).

LINE 2. Enter the total receipts attributable to nonresident.

LINE 3. Divide the amount on line 1 by the amount on line 2. This is the apportionment percentage used to attribute receipts from qualified loans to the amount of tax due.

LINE 4. Enter the amount of Indiana financial institution franchise tax due from a pro forma schedule. Schedule must be attached.

LINE 5. Multiply the percentage on line 3 by the amount on line 4. This is the amount of credit that is available to be applied against the taxpayer's domiciliary state for the qualified loans.

LINE 6. Enter the amount of tax paid to the domiciliary state for the qualified loans, less any credit that the domiciliary state grants for taxes paid to other states.

LINE 7. Enter the lesser of the amount on line 5 or line 6. Enter this amount on line 28 of the FIT-20.

INSTRUCTIONS FOR FORM FT-QP

Quarterly payments of estimated tax are due at the end of the month following the close of the taxpayer's quarter. Form FT-QP must be used when making these quarterly payments. (Do not use Form IT-6.) Please note the voucher number on the form when making the payment as the payment will be applied to the quarter the voucher indicates.

NOTE: If the annual tax liability is less then one thousand dollars ($1,000.00), estimated payments are not required to be made. If the quarterly payment exceeds twenty thousand dollars ($20,000.00), payments must be made by electronic funds transfer. Contact the EFT Section at (317) 232-5500 for further information.

LINE BY LINE INSTRUCTIONS

Line 1. Enter the franchise tax due for the quarter.

If the quarterly payment is being submitted later then one (1) month following the close of the quarter, penalty and interest are due and must be included in the total remittance.

Line 2. Penalty is computed at ten percent (10%) of the amount on line 1.

Line 3. Interest is computed at the current applicable rate upon the amount on line 1. Contact the Department for the current rate of interest.

NOTE: Any penalty and interest paid as a result of a late payment cannot be claimed as a credit on the annual return.

Line 4. Add lines 1, 2, and 3. Enter the total on line 4. This is the remittance due for the quarter.

Taxpayers that file an annual return and pay the full amount of tax due by the end of the month following the close of the taxable year are not required to file Form FT-QP for the fourth quarter of that taxable year.

Claims for refund are processed on an annual basis only. If errors are discovered on a quarterly filing, these errors should either be adjusted on the next quarterly return or on the annual return. Adjustments of quarterly returns must be made during the taxable year of such quarterly returns and a complete explanation should accompany that return.

Each return must be signed by an authorized officer.

FORM FT-QP

INDIANA DEPARTMENT OF REVENUE

FINANCIAL INSTITUTION QUARTERLY FRANCHISE TAX RETURN

(Rev. 9/95)

(DO NOT WRITE ABOVE)

Name			1	Franchise Tax Due	1	
Address			2	Penalty	2	
City	State	Zip	3	Interest	3	
Federal Identification Number	Calendar or Fiscal Year Ending	Due Date	4	Total Due Add lines 1, 2, & 3	4	
VOUCHER 1	/ /	/ /				

Signature ______________________

Title ______________________ Date ____________

Business Telephone Number ( )

Make check payable to:

INDIANA DEPARTMENT OF REVENUE
100 NORTH SENATE AVENUE
INDIANAPOLIS, IN 46204-2253

FORM FT-QP

INDIANA DEPARTMENT OF REVENUE

FINANCIAL INSTITUTION QUARTERLY FRANCHISE TAX RETURN

(Rev. 9/95)

(DO NOT WRITE ABOVE)

Name			1	Franchise Tax Due	1	
Address			2	Penalty	2	
City	State	Zip	3	Interest	3	
Federal Identification Number	Calendar or Fiscal Year Ending	Due Date	4	Total Due Add lines 1, 2, & 3	4	
VOUCHER 2	/ /	/ /				

Signature ______________________

Title ______________________ Date ____________

Business Telephone Number ( )

Make check payable to:

INDIANA DEPARTMENT OF REVENUE
100 NORTH SENATE AVENUE
INDIANAPOLIS, IN 46204-2253

FORM FT-QP

INDIANA DEPARTMENT OF REVENUE

FINANCIAL INSTITUTION QUARTERLY FRANCHISE TAX RETURN

(Rev. 9/95)

(DO NOT WRITE ABOVE)

Name			1	Franchise Tax Due	1	
Address			2	Penalty	2	
City	State	Zip	3	Interest	3	
Federal Identification Number	Calendar or Fiscal Year Ending	Due Date	4	Total Due Add lines 1, 2, & 3	4	
VOUCHER 3	/ /	/ /				

Signature ______________________

Title ______________________ Date ____________

Business Telephone Number ( )

Make check payable to:

INDIANA DEPARTMENT OF REVENUE
100 NORTH SENATE AVENUE
INDIANAPOLIS, IN 46204-2253

FORM FT-QP

INDIANA DEPARTMENT OF REVENUE

FINANCIAL INSTITUTION QUARTERLY FRANCHISE TAX RETURN

(Rev. 9/95)

(DO NOT WRITE ABOVE)

Name				
Address				
City State Zip				
Federal Identification Number	Calendar or Fiscal Year Ending	Due Date		
VOUCHER 4	/ /	/ /		

1	Franchise Tax Due	1	
2	Penalty	2	
3	Interest	3	
4	Total Due Add lines 1, 2, & 3	4	

Signature ______________________

Title ______________________ Date ______________

Business Telephone Number ( ) ______________________

Make check payable to:

INDIANA DEPARTMENT OF REVENUE
100 NORTH SENATE AVENUE
INDIANAPOLIS, IN 46204-2253

FORM FT-QP

INDIANA DEPARTMENT OF REVENUE

FINANCIAL INSTITUTION QUARTERLY FRANCHISE TAX RETURN

(Rev. 9/95)

(DO NOT WRITE ABOVE)

Name				
Address				
City State Zip				
Federal Identification Number	Calendar or Fiscal Year Ending	Due Date		
VOUCHER 5 EXTENSION PAYMENT	/ /	/ /		

1	Franchise Tax Due	1	
2	Penalty	2	
3	Interest	3	
4	Total Due Add lines 1, 2, & 3	4	

Signature ______________________

Title ______________________ Date ______________

Business Telephone Number ( ) ______________________

Make check payable to:

INDIANA DEPARTMENT OF REVENUE
100 NORTH SENATE AVENUE
INDIANAPOLIS, IN 46204-2253

Indiana Department of Revenue

Published September 1995