

WV/CNF-120 WEST VIRGINIA COMBINED CORPORATION NET INCOME/BUSINESS FRANCHISE TAX RETURN 2006

For tax year beginning _____, 20____, ending _____, 20____.

Check this box if this return is filed under extension

Give extended due date: _____

USE LABEL, PRINT, OR TYPE

Name _____
 Street address or post office box _____
 City, state and ZIP code _____

WV Account ID Number _____

Check applicable boxes:

- 1 Initial return
- 2 Final return
- 3 Amended return

BUSINESS DATA SECTION:

Date began doing business in West Virginia _____
 State of commercial domicile _____
 Principal place and business activity in West Virginia _____

Person and phone number to contact concerning this return:

Name _____ Number _____
 Check here if you use a software program & do not want a return sent to you.

FILING METHOD:

Separate entity basis **Consolidated basis** **Other Explain** _____

Check only one box

If separate, were you part of a federal consolidated return? _____

If YES, enter parent's name and FEIN: _____

If consolidated, does your West Virginia return include the same group that filed the consolidated federal return? _____

If NO, explain differences in filing groups. _____

FORM OF BUSINESS: Check one: _____ **S Corporation** _____ **Corporation** _____ **Partnership** _____ **LLC**

MUST ATTACH FEDERAL FORM: Check one: _____ **1120** _____ **Proforma 1120** _____ **1120S** _____ **1065**

| | | | |
|--|--|----|--------------|
| Business Franchise Tax | 1 West Virginia taxable capital- Schedule A, line 16..... | 1 | |
| | 2 Tax Rate -0.7%..... | 2 | 0.007 |
| | 3 West Virginia franchise tax - Line 1 multiplied by line 2 or \$50.00 whichever is greater..... | 3 | |
| | 4 Tax Credits from Form WV/CNF-120TC, Column 1, line 22..... | 4 | |
| | 5 Adjusted franchise tax - subtract line 4 from line 3..... | 5 | |
| Corporate Income Tax | 6 West Virginia net taxable income - Schedule B, line 16,..... | 6 | |
| | 7 Tax Rate -9.00%..... | 7 | 0.09 |
| | 8 West Virginia net income tax - Line 6 multiplied by line 7..... | 8 | |
| | 9 Tax Credits from Form WV/CNF-120TC, Column 2, line 22..... | 9 | |
| | 10 Adjusted net income tax - subtract line 9 from line 8. Do not put less than zero | 10 | |
| Combined Income and Franchise Tax | 11 COMBINED INCOME/FRANCHISE TAX - add line 5 and line 10. Can not subtract from line 5..... | 11 | |
| | 12 Prior year carryforward credit..... | 12 | |
| | 13 Estimated tax payments..... | 13 | |
| | 14 Tentative payment made with Form WV/CNF-120T..... | 14 | |
| | 15 Refundable credit (attach schedule WV/SRDTC-1)..... | 15 | |
| | 16 Total payments and refundable credit-add lines 12, 13, 14, & 15-must match total on Schedule C | 16 | |
| | 17 Tax due - If line 16 is smaller than line 11, enter amount owed. If line 16 is larger than line 11, enter -0- and skip to line 22..... | 17 | |
| | 18 Interest for late payment..... | 18 | |
| | 19 Additions to tax for late filing and/or late payment..... | 19 | |
| | 20 Penalty for underpayment of estimated tax Attach Form WV/CNF-120U - If applicable enter exception number here..... <input type="checkbox"/> | 20 | |
| 21 Total due with this return - add lines 17 through 20 Make check payable to West Virginia State Tax Department | 21 | | |
| 22 Overpayment If line 16 is larger than line 11, enter amount overpaid..... | 22 | | |
| | 23 Amount of line 22 to be credited to next year's tax..... | 23 | |
| | 24 Amount to be refunded - subtract line 23 from line 22..... | 24 | |

SIGN HERE

Under penalties of perjury, I declare that I have examined this return (including accompanying schedules and statements) and to the best of my knowledge and belief it is true and complete. All appropriate sections of the return must be completed. An incomplete return will not be accepted as timely filed. Checking this box indicates waiver of my/our rights of confidentiality for the purpose of contacting the preparer regarding this return.

Keep a copy of this return for your records

Signature of officer _____ Name of officer - type or print _____ Title _____ Date _____

Paid preparer's signature _____ Firm's name and address _____ Date _____

**MAIL TO: WEST VIRGINIA STATE TAX DEPARTMENT
 INTERNAL AUDITING DIVISION
 P. O. BOX 1202
 CHARLESTON, WV 25324-1202**



SCHEDULE A BUSINESS FRANCHISE TAX — CALCULATION OF WEST VIRGINIA TAXABLE CAPITAL (11-23-3 (b) (2))

| | Column 1 Beginning Balance | Column 2 Ending Balance | Column 3 — Average (Col. 1 + Col. 2) ÷ 2 |
|---|-------------------------------|----------------------------|---|
| 1 Dollar amount of common stock & preferred stock | | | 1 |
| 2 Paid-in or capital surplus | | | 2 |
| 3 Retained earnings appropriated & unappropriated | | | 3 |
| 4 Adjustments to shareholders equity..... | | | 4 |
| 5 Shareholders undistributed taxable income..... | | | 5 |
| 6 Accumulated adjustments account..... | | | 6 |
| 7 Other adjustments accounts..... | | | 7 |
| 8 Add lines 1 through 7 of Column 3 | | | 8 |
| 9 Less: Cost of Treasury stock..... | | | 9 |
| 10 Dollar amount of partner's capital accounts..... | | | 10 |
| 11 Capital - subtract line 9, Column 3 from line 8, Column 3..... | | | 11 |
| 12 Multiplier for allowance for certain obligations/investments - Schedule B-1, Line 7..... | | | 12 |
| 13 Allowance - Line 10 or 11 multiplied by line 12..... | | | 13 |
| 14 Adjusted capital - subtract line 13 from line 10, or 11. If taxable only in West Virginia, check here <input type="checkbox"/> and enter this amount on line 16..... | | | 14 |
| 15 Apportionment factor - Form WV/CNF-120APT, Schedule B, Line 8 or Part 3, Column 3..... | | | 15 |
| 16 TAXABLE CAPITAL - Line 14 multiplied by line 15 - Enter on page 1, Line 1..... | | | 16 |

SCHEDULE A-1 BUSINESS FRANCHISE TAX — SUBSIDIARY CREDIT (11-23-17 (c))

| Column 1 Account number and name of Subsidiary or Partnership | Column 2 Recomputed Business Franchise Tax Liability | Column 3 Percentage of Ownership | Column 4 Allowable Credit (Column 2 X Column 3) |
|--|--|--|---|
| No. Name | | | |
| No. Name | | | |
| No. Name | | | |
| TOTAL — (Enter here and on Form WV/CNF-120TC, line 1, Column 1)..... | | | |

SCHEDULE A-2 BUSINESS FRANCHISE TAX — TAX CREDIT FOR PUBLIC UTILITIES AND ELECTRIC POWER GENERATORS (11-23-17 (b))

| | | |
|---|---|--|
| 1 Gross income in West Virginia subject to the STATE Business and Occupation Tax..... | 1 | |
| 2 Total gross income of taxpayer from all activity in West Virginia..... | 2 | |
| 3 Line 1 divided by line 2..... | 3 | |
| 4 Business Franchise liability - From page 1, Line 3, reduced by any Subsidiary Credit..... | 4 | |
| 5 Allowable credit - Line 4 multiplied by line 3 - Enter here and on Form WV/CNF-120TC, line 2, Column 1..... | 5 | |

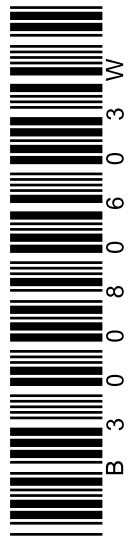
SCHEDULE A-3 BUSINESS FRANCHISE TAX — COMMERCIALY DOMICILED FINANCIAL ORGANIZATION TAX CREDIT (11-23-27)

| | | |
|---|---|-------|
| 1 Franchise taxes actually paid to another state(s) - attach list of states and amounts..... | 1 | |
| 2 Capital subject to tax in another state(s)..... | 2 | |
| 3 West Virginia Business Franchise Tax rate - 0.7%..... | 3 | 0.007 |
| 4 Adjusted franchise taxes paid to another state(s) - line 2 multiplied by line 3..... | 4 | |
| 5 Allowable credit - lesser of lines 1 or 4 - Enter on Form WV/CNF-120TC, line 3, Column 1..... | 5 | |



SCHEDULE B CORPORATE INCOME TAX - CALCULATION OF WEST VIRGINIA TAXABLE INCOME (11-24-6 and 7)

| | | | |
|---|----|---|--|
| 1 Federal Taxable Income - per attached federal return..... | | 1 | |
| 2a Interest or dividends from any state or local bonds or securities..... | 2a | | |
| 2b U.S. Government obligation interest or dividends not exempt from state tax, less related expenses not deducted on federal return..... | 2b | | |
| 2c Income taxes or taxes based upon net income, imposed by this state or any other jurisdiction, deducted on your federal return..... | 2c | | |
| 2d Federal depreciation/amortization for West Virginia water/air pollution control facilities - wholly W. Va. corporations only..... | 2d | | |
| 2e Unrelated business taxable income of a corporation exempt from federal tax (IRC 512)..... | 2e | | |
| 2f Federal net operating loss deduction..... | 2f | | |
| 2g Federal deduction for charitable contributions to Neighborhood Investment Programs, if claiming the West Virginia Neighborhood Investment Programs Tax Credit..... | 2g | | |
| 2h Net operating loss from sources outside the United States..... | 2h | | |
| 2i Foreign taxes deducted on your federal return..... | 2i | | |
| 2j Deduction taken under IRC§ 199 (WV Code §11-24-6a)..... | 2j | | |
| 3 TOTAL INCREASING ADJUSTMENTS - add lines 2a through 2j..... | | | |
| 4a Gain on sale of property acquired prior to July 1, 1967 - Schedule B-2, line 4..... | 4a | | |
| 4b Refund or credit of income taxes or taxes based upon net income, imposed by this state or any other jurisdiction, included in federal taxable income..... | 4b | | |
| 4c Interest expense on obligations or securities of any state or its political subdivisions, disallowed in determining federal taxable income..... | 4c | | |
| 4d Salary expense not allowed on federal return due to claiming the federal jobs credit..... | 4d | | |
| 4e Foreign dividend gross-up (IRC Section 78)..... | 4e | | |
| 4f Subpart F income (IRC Section 951)..... | 4f | | |
| 4g Taxable income from sources outside the United States..... | 4g | | |
| 4h Cost of West Virginia water/air pollution control facilities - wholly W. Va. only..... | 4h | | |
| 4i Employer contributions to medical savings accounts (W. Va. Code 33-16-15) included in federal taxable income less amounts withdrawn for non-medical purposes..... | 4i | | |
| 5 SUBTOTAL of decreasing adjustments - add lines 4a through 4i..... | 5 | | |
| 6 Schedule B-1 allowance - from Schedule B-1, line 9..... | 6 | | |
| 7 TOTAL DECREASING ADJUSTMENTS - add line 5 and line 6..... | 7 | | |
| 8 Adjusted federal taxable income - Line 1 plus line 3 minus line 7..... Wholly West Virginia corporations check here <input type="checkbox"/> and go to line 14, multistate corporations go to line 9 | 8 | | |
| 9 Total nonbusiness income allocated everywhere - Form WV/CNF-120APT, Sch. A line 9, Column 5..... | 9 | | |
| 10 Income subject to apportionment - subtract line 9 from line 8..... | 10 | | |
| 11 West Virginia apportionment factor - Form WV/CNF-120APT, Sch. B line 8; Part 2, or Part 3, Column 3..... | 11 | ● | |
| 12 West Virginia apportioned income - Line 10 multiplied by line 11..... | 12 | | |
| 13 Nonbusiness income allocated to West Virginia - Form WV/CNF-120APT, Sch. A line 13..... | 13 | | |
| 14 West Virginia taxable income - multistate corporations add lines 12 and 13, wholly West Virginia enter line 8..... | 14 | | |
| 15 West Virginia net operating loss carryforward - Schedule NOL, Column 5 total..... | | | |
| 16 WEST VIRGINIA NET TAXABLE INCOME - subtract line 15 from line 14 - Enter on page 1, line 6..... | 16 | | |



SCHEDULE B-1 ALLOWANCE FOR GOVERNMENTAL OBLIGATIONS/OBLIGATIONS SECURED BY RESIDENTIAL PROPERTY (11-24-6(f))

| | | | Average Monthly Balance |
|---|---|---|-------------------------|
| 1 Federal obligations and securities..... | 1 | | |
| 2 Obligations of West Virginia and any political subdivision of West Virginia..... | 2 | | |
| 3 Investments or loans primarily secured by mortgages or deeds of trust on residential property located in West Virginia..... | 3 | | |
| 4 Loans primarily secured by a lien or security agreement on a mobile home or double-wide located in West Virginia..... | 4 | | |
| 5 TOTAL - add lines 1 through 4..... | 5 | | |
| 6 Total assets as shown on Schedule L, Federal Form 1120 or 1120A..... | 6 | | |
| 7 Divide line 5 by line 6 (round to six (6) decimal places)..... | 7 | ● | |
| 8 Adjusted income - Schedule B, line 1 plus line 3 minus line 5 plus, Form WV/CNF-120APT, Sch. A, lines 10,11, & 12..... | 8 | | |
| 9 ALLOWANCE - - Line 7 multiplied by line 8, disregard sign - Enter here and on Schedule B, line 6..... | | | |

SCHEDULE B-2 CORPORATE INCOME TAX — ADJUSTMENT FOR SALE OF PROPERTY ACQUIRED PRIOR TO JULY 1, 1967 (11-24-6(c)(1))

| | Column 1 | Column 2 | Column 3 | Column 4 | Column 5 | Column 6 | Column 7 |
|---|---------------|-----------|-------------------------|-----------------------------|----------------------------------|--------------------------------------|--------------------------------|
| Kind of property | Date acquired | Date sold | Gain per Federal return | Fair market value on 7-1-67 | Adjusted federal basis on 7-1-67 | Original cost or other federal basis | Adjustment Col. 4 minus Col. 5 |
| 1 | | | | | | | |
| 2 | | | | | | | |
| 3 | | | | | | | |
| 4 TOTAL - add lines 1 through 3 - Enter on Schedule B, line 4a (Attach a true copy of your Federal Schedule D and Form 4797)..... | | | | | | | |

SCHEDULE B-3 CORPORATE INCOME TAX — COMMERCIALLY DOMICILED FINANCIAL ORGANIZATION TAX CREDIT (11-24-24)

| | | |
|---|---|-------------|
| 1 Income taxes actually paid to another state(s) attach list of states and amounts..... | 1 | |
| 2 Income subject to tax in another state(s)..... | 2 | |
| 3 West Virginia Corporate Income Tax Rate - 9.00%..... | 3 | 0.09 |
| 4 Adjusted income taxes paid to another state(s) - line 2 multiplied by line 3..... | 4 | |
| 5 Allowable credit - lesser of lines 1 or 4 - Enter on Form WV/CNF-120TC, line 3, Column 2..... | 5 | |

SCHEDULE C SCHEDULE OF TAX PAYMENTS (Will be applied to Business Franchise Tax first)

| Name of business | West Virginia Account Identification Number | Date of Payment Indicate if EFT | Type: estimated, extension, prior year credit, or refundable credit | Amount of payment and/or refundable credit |
|--|---|---------------------------------|---|--|
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| TOTAL - This amount must agree with the amount on Page 1, line 16..... | | | | |

SCHEDULE NOL CORPORATE INCOME TAX — WEST VIRGINIA NET OPERATING LOSS CARRYFORWARD CALCULATION (11-24-6 (d))

| Column 1 | Column 2 | Column 3 | Column 4 | Column 5 | Column 6 |
|---|-------------------------------------|---|--|-----------------------------|-------------------------------------|
| Year of loss | Amount of W. VA. net operating loss | Amount carried back to years prior to loss year | Amount carried forward to years prior to this year | Amount being used this year | Remaining unused net operating loss |
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| West Virginia net operating loss carryforward for current tax year Sum of Column 5 - Enter on Schedule B, line 15 | | | | | |

