

CD-405 C-Corporation Tax Return 2020

For calendar year 2020 or other tax year beginning (MM-DD) _____ - _____ - 20 and ending (MM-DD-YY) _____ - _____ - _____		DOR Use Only
Legal Name (First 35 Characters)(USE CAPITAL LETTERS FOR YOUR NAME AND ADDRESS) _____ Address _____ City _____ State _____ Zip Code _____		Federal Employer ID Number ▶ _____ Secretary of State ID _____ NAICS Code _____ Gross Receipts / Sales ▶ _____ .00 Total Assets per Balance Sheet ▶ _____ .00
Fill in all applicable circles: ☐ Initial Return ☐ Captive REIT ☐ NC-Rehab is attached ☐ Final Return ☐ Tax Exempt ☐ NC-478 is attached ☐ Short Year Return ☐ Non U.S./Foreign ☐ Has Escheatable Property ☐ Amended Return ☐ Combined Return (Approved Taxpayers Only)		
Federal Extension Were you granted an automatic extension to file your 2020 federal income tax return (Form 1120)? ☐ Yes ☐ No		
N.C. Education Endowment Fund: You may contribute to the N.C. Education Endowment Fund by making a contribution or designating some or all of your overpayment to the Fund. To make a contribution, enclose Form NC-EDU and your payment of \$ _____. To designate your overpayment to the Fund, enter the amount of your designation on Page 2, Line 40. See instructions for information about the Fund.		
(A)	Computation of Franchise Tax 1. Net Worth <i>(From Schedule C, Line 9)</i> 2. Investment in N.C. Tangible Property <i>(From Schedule D, Line 8)</i> 3. Appraised Value of N.C. Tangible Property <i>(From Schedule E, Line 2)</i> 4. Taxable Amount Line 1, 2, or 3, whichever is greatest 5. Total Franchise Tax Due Multiply Line 4 by .0015 (\$1.50 per \$1,000.00 - minimum \$200.00) 6. Payment with Franchise Tax Extension <i>(From Form CD-419, Line 9)</i> <i>When filing an amended return, see instructions.</i> 7. Tax Credits <i>(From Form CD-425, Part 2, Line 14)</i> <i>If a tax credit is taken on Line 7, Form CD-425 MUST be attached.</i> 8. Franchise Tax Due - If the sum of Line 6 plus 7 is less than Line 5, enter difference here and on Page 2, Line 31 9. Franchise Tax Overpaid - If the sum of Line 6 plus 7 is more than Line 5, enter difference here and on Page 2, Line 31	Holding Company Exception <i>(See instructions)</i> ☐ ▶ 1. _____ .00 ▶ 2. _____ .00 ▶ 3. _____ .00 4. _____ .00 ▶ 5. _____ .00 ▶ 6. _____ .00 ▶ 7. _____ .00 8. \$ _____ .00 ▶ 9. _____ .00
(B)	Computation of Corporate Income Tax 10. Federal Taxable Income Before NOL <i>(From Schedule G, Line 30 or Federal Form 1120, Line 28 minus 29b)</i> 11. Adjustments to Federal Taxable Income <i>(From Schedule H, Line 5)</i> 12. Net Income Before Contributions Add Lines 10 and 11 13. Contributions to Donees Outside N.C. <i>(From Schedule I, Line 1c)</i> 14. N.C. Taxable Income Line 12 minus Line 13 15. Nonapportionable Income <i>(From Schedule N, Line 1)</i> 16. Apportionable Income Line 14 minus Line 15 17. Apportionment Factor - Enter to four decimal places <i>(From Schedule O, Part 1; Part 2 - Line 9 or Part 3)</i> 18. Income Apportioned to N.C. Multiply Line 16 by factor on Line 17 19. Nonapportionable Income Allocated to N.C. <i>(From Schedule N, Line 2)</i> 20. Income Subject to N.C. Tax Add Lines 18 and 19 21. Percentage Depletion over Cost Depletion on N.C. Property <i>(See Instructions)</i>	If amount on Line 10-12, 14-16, or 18-20 is negative, fill in circle. Example: ☒ ▶ 10. ☐ _____ .00 ▶ 11. ☐ _____ .00 12. ☐ _____ .00 ▶ 13. _____ .00 14. ☐ _____ .00 ▶ 15. ☐ _____ .00 ▶ 16. ☐ _____ .00 ▶ 17. _____ % ▶ 18. ☐ _____ .00 ▶ 19. ☐ _____ .00 ▶ 20. ☐ _____ .00 ▶ 21. _____ .00



Tax Due or Refund

(C) Net Worth

1. Total assets <i>(See instructions for definition)</i>	1. _____ .00
2. Total liabilities	2. _____ .00
3. Line 1 minus Line 2	3. _____ .00
4. Accumulated depreciation, depletion, and amortization permitted for income tax purposes <i>(Attach Schedule)</i>	4. _____ .00
5. Line 3 minus Line 4	5. _____ .00
6. Affiliated indebtedness <i>(Attach schedule)</i> _____	6. _____ .00
7. Line 5 plus (or minus) Line 6	7. _____ .00
8. Apportionment factor <i>(From Schedule O, Part 1; Part 2 - Line 9; or Part 3)</i>	8. _____ %
9. Net Worth Multiply Line 7 by factor on Line 8 and enter result here and on Schedule A, Line 1. If amount on Line 9 is less than zero, enter zero on Schedule A, Line 1.	9. _____ .00

(D) Investment in N.C. Tangible Property

<i>Inventory valuation method:</i> 1. Total value of inventories located in N.C. ☐ FIFO ☐ Lower of cost or market ☐ Other _____ <i>(LIFO valuation not permitted)</i>		1. _____ .00
2. Total value of furniture, fixtures, and machinery and equipment located in N.C.		2. _____ .00
3. Total value of land and buildings located in N.C.		3. _____ .00
4. Total value of leasehold improvements and other tangible property located in N.C.		4. _____ .00
5. Add Lines 1 through 4 and enter total		5. _____ .00
6. Accumulated depreciation, depletion, and amortization with respect to N.C. tangible property		6. _____ .00
7. Debts existing for the purchase or improvement of N.C. real estate		7. _____ .00
8. Investment in N.C. Tangible Property Line 5 minus Lines 6 and 7; enter amount here and on Schedule A, Line 2		8. _____ .00

(E) Appraised Value of N.C. Tangible Property

1. Total appraised value of all N.C. tangible property, including motor vehicles <i>(If tax year ends December 31, 2019 through September 30, 2020, enter the appraised county tax value of all real and tangible property located in N.C. as of January 1, 2019, including any motor vehicles assessed during the tax year. Otherwise, enter value as of January 1, 2020.)</i>	1. _____ .00
2. Appraised Value of N.C. Tangible Property Multiply Line 1 by 55%; enter here and on Schedule A, Line 3	2. _____ .00

(F) Other Information - All Taxpayers Must Complete this Schedule

1. State of incorporation _____ Date incorporated _____

2. Date Certificate of Authority was obtained from N.C. Secretary of State _____

3. Regular or principal trade or business in N.C. _____ Everywhere _____

4. Principal place from which business is directed or managed _____

5. What was the last year the IRS redetermined the corporation's federal taxable income? _____

6. Were the adjustments reported to N.C.? ☐ Yes ☐ No If so, when? _____

7. Does this corporation finance or discount its receivables through a related or an affiliated company? ☐ Yes ☐ No

8. Is this corporation subject to franchise tax but not N.C. income tax because the corporation's income tax activities are protected under P.L. 86-272? *(Attach detailed explanation)* ☐ Yes ☐ No

9. Officers' names and addresses:

President _____ Secretary _____

Vice-President _____ Treasurer _____

Ⓒ Federal Taxable Income Before NOL Deduction

Complete this schedule if you do not attach a copy of your federal income tax return.

1. a. Gross receipts or sales	_____	.00
b. Returns and allowances	_____	.00
c. Balance (Line 1a minus Line 1b)	_____	.00
2. Cost of goods sold (Attach schedule)	_____	.00
3. Gross Profit (Line 1c minus Line 2)	_____	.00
4. Dividends (Attach schedule)	_____	.00
5. a. Interest on obligations of the United States and its instrumentalities	_____	.00
b. Other interest	_____	.00
6. Gross rents	_____	.00
7. Gross royalties (Attach schedule)	_____	.00
8. Capital gain net income (Attach schedule)	_____	.00
9. Net gain (loss) (Attach schedule)	_____	.00
10. Other income (Attach schedule)	_____	.00
11. Total Income Add Lines 3 through 10	_____	.00
12. Compensation of officers (Attach schedule, including addresses)	_____	.00
13. Salaries and wages (Less employment credits)	_____	.00
14. Repairs and maintenance	_____	.00
15. Bad debts	_____	.00
16. Rents	_____	.00
17. Taxes and licenses	_____	.00
18. Interest	_____	.00
19. Charitable contributions	_____	.00
20. a. Depreciation _____		
b. Depreciation included in cost of goods sold _____		
c. Balance (Line 20a minus Line 20b)	_____	.00
21. Depletion	_____	.00
22. Advertising	_____	.00
23. Pension, profit-sharing, and similar plans	_____	.00
24. Employee benefit programs	_____	.00
25. Reserved for future use	_____	.00
26. Other deductions (Attach schedule)	_____	.00
27. Total Deductions Add Lines 12 through 26	_____	.00
28. Taxable Income per Federal Return Before NOL and Special Deductions Line 11 minus Line 27	_____	.00
29. Special Deductions (From Federal Form 1120, Line 29b)	_____	.00
30. Federal Taxable Income Before NOL Line 28 minus Line 29; enter amount here and on Schedule B, Line 10	_____	.00

Ⓓ Adjustments to Federal Taxable Income

1. Additions:	
a. Taxes based on net income	_____ .00
b. Contributions	_____ .00
c. Royalties to related members	_____ .00
d. Net interest expense to related members	_____ .00
e. Expenses attributable to income not taxed	_____ .00
f. Bonus depreciation	_____ .00
g. Section 179 expense deduction	_____ .00
h. Other (Attach explanation or schedule)	_____ .00
2. Total Additions (Add Lines 1a-1h)	_____ .00
3. Deductions:	
a. U.S. obligation interest (net of expenses) (Attach schedule)	_____ .00
b. Other deductible dividends	_____ .00
c. Royalties from related members	_____ .00
d. Qualified interest expense to related members	_____ .00
e. Bonus depreciation	_____ .00
f. Section 179 expense deduction	_____ .00
g. Other (Attach explanation or schedule)	_____ .00
4. Total Deductions (Add Lines 3a-3g)	_____ .00
5. Adjustments to Federal Taxable Income Line 2 minus Line 4, enter amount here and on Schedule B, Line 11	_____ .00

Ⓘ Contributions

1. Contributions to Donees Outside N.C.	
a. Enter total contributions to donees outside N.C.	_____ .00
b. Multiply the amount shown on Schedule B, Line 12 by 5% if Line 12 is greater than zero. Otherwise, enter zero here.	_____ .00
c. Amount Deductible Enter the lesser of Line 1a or 1b here and on Schedule B, Line 13	_____ .00
2. Contributions to N.C. Donees	
a. Enter total contributions to N.C. donees other than those listed in Line 2d, below	_____ .00
b. Multiply the amount shown on Schedule B, Line 23 by 5% if Line 23 is greater than zero. Otherwise, enter zero here.	_____ .00
c. Enter the lesser of Line 2a or 2b	_____ .00
d. Enter total contributions to the State of N.C. and its political subdivisions	_____ .00
e. Amount Deductible Add Lines 2c and 2d; enter total here and on Schedule B, Line 24	_____ .00

Ⓢ Explanation of Changes for Amended Return

Attach additional sheets if necessary

Note: The letter K is not used to designate a schedule.

L Balance Sheet per Books

Assets		Beginning of Tax Year		End of Tax Year	
1. Cash					
2. a. Trade notes and accounts receivable					
b. Less allowance for bad debts	()			()	
3. Inventories					
4. a. U.S. government obligations					
b. State and other obligations					
5. Tax-exempt securities					
6. Other current assets (<i>Attach end of year schedule</i>)					
7. Loans to shareholders					
8. Mortgage and real estate loans					
9. Other investments (<i>Attach end of year schedule</i>)					
10. a. Buildings and other depreciable assets					
b. Less accumulated depreciation	()			()	
11. a. Depletable assets					
b. Less accumulated depletion	()			()	
12. Land (<i>net of any amortization</i>)					
13. a. Intangible assets (<i>amortizable only</i>)					
b. Less accumulated amortization	()			()	
14. Other assets (<i>Attach end of year schedule</i>)					
15. Total Assets					
Liabilities and Shareholders' Equity					
16. Accounts payable					
17. Mortgages, notes, and bonds payable in less than 1 year					
18. Other current liabilities (<i>Attach end of year schedule</i>)					
19. Loans from shareholders					
20. Mortgages, notes, and bonds payable in 1 year or more					
21. Other liabilities (<i>Attach end of year schedule</i>)					
22. Capital stock: a. Preferred Stock					
b. Common Stock					
23. Additional paid-in capital					
24. Retained earnings – Appropriated (<i>Attach end of year schedule</i>)					
25. Retained earnings – Unappropriated					
26. Adjustments to shareholders' equity (<i>Attach end of year schedule</i>)					
27. Less cost of treasury stock		()		()	
28. Total Liabilities and Shareholders' Equity					
M-1 Reconciliation of Income (Loss) per Books With Return					
1. Net income (loss) per books		7. Income recorded on books this year not included on this return (<i>itemize</i>):			
2. Federal income tax		Tax-exempt interest \$			
3. Excess of capital losses over capital gains					
4. Income subject to tax not recorded on books this year (<i>itemize</i>):		8. Deductions on this return not charged against book income this year (<i>itemize</i>):			
5. Expenses recorded on books this year not deducted on this return (<i>itemize</i>):		a. Depreciation \$			
a. Depreciation \$		b. Charitable Contributions \$			
b. Charitable Contributions \$					
c. Travel and entertainment \$		9. Add Lines 7 and 8			
6. Add Lines 1 through 5		10. Income (<i>Line 6 minus Line 9</i>)			
M-2 Retained Earnings Analysis					
1. Balance at beginning of year		5. Distributions: a. Cash			
2. Net income (loss) per books		b. Stock			
3. Other increases (<i>itemize</i>):		c. Property			
		6. Other decreases (<i>itemize</i>):			
		7. Add Lines 5 and 6			
4. Add Lines 1, 2, and 3		8. Balance at End of Year (<i>Line 4 minus Line 7</i>)			

Complete this schedule if you have income classified as nonapportionable income. See the instructions for an explanation of what is **apportionable income** and what is **nonapportionable income**.

Ⓝ Nonapportionable Income

(A) Nonapportionable Income	(B) Gross Amounts	(C) Related Expenses*	(D) Net Amounts (Column B minus Column C)	(E) Net Amounts Allocated Directly to N.C.

1. Nonapportionable Income (Enter the total of Column D here and on Schedule B, Line 15)

.00

2. Nonapportionable Income Allocated to N.C. (Enter the total of Column E here and on Schedule B, Line 19)

.00

Explanation of why income listed in chart is nonapportionable income rather than apportionable income:

(Attach additional sheets if necessary)

* For an acceptable means of computing related expenses, see 17 N.C.A.C. 5C .0304.

Part 1. Domestic and Other Corporations Not Apportioning Franchise or Income Outside N.C.

Enter 100% on Schedule B, Line 17 and Schedule C, Line 8

100.0000 %

Ⓞ Computation of Apportionment Factor

Part 2. Corporations Apportioning Franchise or Income to N.C. and to Other States

Note: Apportionment factors must be calculated 4 places to the right of the decimal.

Example: 99.9999 %

State Net Loss Apportionment:

Are you electing to apportion receipts based on income-producing activities due to a State Net Loss? ☐ Yes ☐ No

	1. Within North Carolina	2. Total Everywhere
1. Gross Receipts Subject to Apportionment		
2. Gross Rents Subject to Apportionment		
3. Gross Royalties Subject to Apportionment		
4. Dividends Subject to Apportionment		
5. Interest Subject to Apportionment		
6. Other Apportionable Income		
7. Share of Receipts from Noncorporate Entities Subject to Apportionment		
8. Total (Add Lines 1 through 7 for each column)		

9. N.C. Apportionment Factor

(Divide Line 8 Column 1 by Line 8 Column 2; enter the factor here, on Schedule B, Line 17, and Schedule C, Line 8. See instructions and G.S. 105-130.4 for more information.)

%

Part 3. Special Apportionment Formulas

Special apportionment formulas apply to certain types of corporations such as banks, wholesale content distributors, electric power companies, air transportation companies, water transportation companies, pipeline companies, and railroad companies. If you use a special apportionment formula, enter the computed apportionment factor here, on Schedule B, Line 17, and on Schedule C, Line 8. Attach a schedule to support the special apportionment calculation. (See instructions and G.S. 105 -130.4, 130.4A, and 130.4B for more information.)

%