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Alabama

www.revenue.alabama.gov

Alabama Department of Revenue

Taxpayer information and assistance..... 334-242-1170

C Corporation Filing Requirements

Corporations doing business in Alabama, or deriving income from sources within Alabama, must file an Alabama corporate income tax return unless specifically exempt under Alabama law. An Alabama affiliated group may elect to file an Alabama consolidated return.

Corporation income tax return due date. Form 20C, *Corporation Income Tax Return*, is due one month following the due date of the corresponding federal income tax return.

Corporation income tax rate.

Alabama corporate income tax rate..... 6.5%

Corporation extension information. Alabama allows an automatic extension until one month after the federal due date for taxpayers who file Form 7004 with the IRS. A copy of the federal extension must be attached to the return when filed. If tax is due, include Form BIT-V, *Business Income Tax Payment Voucher*, with the payment. Payments of \$750 or more must be made electronically.

S Corporation Filing Requirements

A corporation that is doing business in Alabama, and that has elected to be treated as an S corporation for federal income tax purposes, must file an Alabama S corporation income tax return.

S corporation income tax return due date. Form 20S, *S Corporation Information/Tax Return*, is due by the 15th day of the third month following the close of the S corporation's tax year.

S corporation income tax rate. S corporations are subject to a LIFO recapture tax, the built-in gains tax, and the excess net passive income tax.

S corporation extension information. Alabama allows an automatic extension until the federal due date for taxpayers who file Form 7004 with the IRS. A copy of the federal extension must be attached to the return when filed. If tax is due, include Form PTE-V, *Pass Through Entity Payment Voucher*, with the payment unless paying electronically.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

Subchapter K entities (such as partnerships and multi-member LLCs) must file an Alabama partnership/limited liability company income tax return.

Partnership/LLC income tax return due date. Form 65, *Partnership/Limited Liability Company Return of Income*, is due by the 15th day of the third month following the close of the partnership's tax year.

Partnership/LLC extension information. Partnerships follow the same rules as S corporations. See *S corporation extension information*, above.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

All persons or businesses that sell tangible personal property at retail, or operate places of entertainment or amusement, must collect sales tax (with certain exceptions). State sales tax rates range from 1.5% to 4%. Local sales tax rates vary for each city and county.

Use tax is due when merchandise is purchased for use inside Alabama and tax is not paid to the seller. The use tax rate is the same amount as the state sales tax rate.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Alabama Department of Revenue administers the sales and use tax.

Website: www.revenue.alabama.gov/sales-use

Unemployment Insurance

Website: <https://adol.alabama.gov>

Business Privilege Tax Return and Annual Report

Every corporation, limited liability entity, business trust, disregarded entity, and real estate investment trust (REIT) that is doing business in Alabama, or is registered/qualified to do business in Alabama, is required to file an Alabama Business Privilege Tax Return and Annual Report.

Exception: Taxpayers whose business privilege tax is calculated to be \$100 or less are not required to file a return.

- Newly organized corporations, limited liability entities, and disregarded entities must file Form BPT-IN, *Alabama Business Privilege Tax Initial Privilege Tax Return*, within two and one-half months after the date of qualification, incorporation, or organization.
- C corporations, financial institution groups, insurance companies, REITs, business trusts, and limited liability companies federally taxed as corporations file Form CPT, *Alabama Business Privilege Tax Return and Annual Report*, by the due date of the corresponding federal return.
- S corporations, limited liability entities, and disregarded entities must file Form PPT, *Alabama Business Privilege Tax Return and Annual Report*, by the due date of the corresponding federal return.

BPT tax rate. The tax rate for business privilege tax is graduated based on the entity's federal taxable income apportioned to Alabama. The rates range from \$0.25 to \$1.75 for each \$1,000 of net worth in Alabama.

Alaska

<https://tax.alaska.gov>

Alaska Department of Revenue

Taxpayer information and assistance..... 907-465-2320

C Corporation Filing Requirements

A corporation having nexus with Alaska must file an Alaska corporation net income tax return.

Corporation income tax return due date. Form 6000, *Alaska Corporation Net Income Tax Return*, is due by the 15th day of the month following the corporation's federal due date. However, payments are due by the 15th day of the fourth month following the end of the tax year.

Corporation income tax rate. If taxable income is:

| | | | | | | | |
|--------------------|---|--------|-------|-----------|---|-----|--|
| \$ 0 to 24,999 | × | No tax | | | | | |
| 25,000 to 48,999 | × | 2.0% | minus | 500.00 | = | Tax | |
| 49,000 to 73,999 | × | 3.0% | minus | 990.00 | = | Tax | |
| 74,000 to 98,999 | × | 4.0% | minus | 1,730.00 | = | Tax | |
| 99,000 to 123,999 | × | 5.0% | minus | 2,720.00 | = | Tax | |
| 124,000 to 147,999 | × | 6.0% | minus | 3,960.00 | = | Tax | |
| 148,000 to 172,999 | × | 7.0% | minus | 5,440.00 | = | Tax | |
| 173,000 to 197,999 | × | 8.0% | minus | 7,170.00 | = | Tax | |
| 198,000 to 221,999 | × | 9.0% | minus | 9,150.00 | = | Tax | |
| 222,000 and over | × | 9.4% | minus | 10,038.00 | = | Tax | |

Corporation extension information. A federal extension automatically extends the Alaska filing due date to 30 days after the federal extended due date. The applicable box on Form 6000 must be checked to report that a federal extension is in effect.

S Corporation Filing Requirements

An S corporation doing business in Alaska is required to file an Alaska return.

S corporation income tax return due date. See *Corporation income tax return due date*, above.

S corporation income tax rate. Alaska does not impose a tax on the S corporation for pass-through items of income or loss, but does impose both the federal excess net passive income tax and the corporate level tax on built-in gains. These taxes are calculated at the highest Alaska marginal tax rate of 9.4%.

S corporation extension information. S corporations follow the same rules as C corporations. See *Corporation extension information*, previous column.

Partnership Filing Requirements

A partnership doing business in Alaska is required to file an Alaska partnership return if any partner is a corporation or another partnership. If all partners or LLC members are natural persons, the partnership is not required to file an Alaska partnership return.

Partnership income tax return due date. Form 6900, *Alaska Partnership Information Return*, is due within 30 days of the date on which the partnership's federal return is required to be filed.

Partnership extension information. A federal extension automatically extends the Alaska filing date to 30 days after the federal extended due date. Check the applicable box on Form 6900 and attach a copy of the federal extension.

LLC Filing Requirements

An LLC doing business in Alaska must file an Alaska return consistent with its federal tax status. If the LLC is characterized as a corporation for federal income tax purposes, the LLC must file a corporation net income tax return. An LLC with corporate members characterized as a partnership for federal income tax purposes must follow the rules applicable to partnerships with corporate partners.

Sales and Use Tax

Alaska does not impose a state sales and use tax. However, some local jurisdictions impose local sales taxes.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. Municipal tax rates and policies are administered by the Alaska Department of Commerce, Community, and Economic Development.

Website: www.commerce.alaska.gov/web/dcra

Unemployment Insurance

Website: www.labor.alaska.gov

Arizona

www.azdor.gov

Arizona Department of Revenue

Taxpayer information and assistance..... 602-255-3381

C Corporation Filing Requirements

Every corporation subject to the Arizona Income Tax Act of 1978 must file an Arizona corporate income tax return.

Corporation income tax return due date. Form 120, *Arizona Corporation Income Tax Return*, is due by the 15th day of the fourth month following the close of the taxable year. A corporation that files its return on a separate company basis and is taxable entirely within Arizona may file Form 120A, *Arizona Corporation Income Tax Return (Short Form)*.

Corporation income tax rate. Arizona corporate income tax rate is 4.9% of taxable income or \$50, whichever is greater.

Corporation extension information. File Form 120/165EXT, *Application for Automatic Extension of Time to File Corporation, Partnership, and Exempt Organization Returns*, to request an automatic extension of up to seven months. Arizona will also accept a valid federal extension. Taxpayers must pay at least 90% of tax liability to avoid an extension underpayment penalty.

S Corporation Filing Requirements

Corporations taxed as S corporations for federal purposes must file an Arizona S corporation income tax return.

S corporation income tax return due date. Form 120S, *Arizona S Corporation Income Tax Return*, is due by the 15th day of the third month following the close of the taxable year.

S corporation income tax rate. S corporations are subject to Arizona corporate income tax on income subject to the federal excess net passive income tax, capital gains tax, or built-in gains tax. The income tax rate is 4.9% of taxable income or \$50, whichever is greater.

S corporation extension information. File Form 120/165EXT, *Application for Automatic Extension of Time to File Corporation, Partnership, and Exempt Organization Returns*, to request an automatic extension of up to six months. Arizona will also accept a valid federal extension for the period covered by the federal extension. Taxpayers must pay at least 90% of tax liability to avoid an extension underpayment penalty.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership Filing Requirements

Every domestic partnership, including syndicates, groups, pools, joint ventures, and every foreign partnership doing business in Arizona, must file an Arizona partnership return.

Partnership income tax return due date. Form 165, *Arizona Partnership Income Tax Return*, is due by the 15th day of the third month following the close of the taxable year.

Partnership extension information. File Form 120/165EXT, *Application for Automatic Extension of Time to File Corporation, Partnership, and Exempt Organization Returns*, to request an automatic extension of up to six months. Arizona will also accept a valid federal extension for the period covered by the federal extension.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

LLC Filing Requirements

An LLC doing business in Arizona must file an Arizona return consistent with its federal tax status. For example, an LLC characterized as a partnership for federal income tax purposes must file Form 165. If the LLC is a disregarded entity, the activity is reported on the return of the owner.

Sales and Use Tax

The Arizona transaction privilege tax (TPT) is a tax on vendors for the privilege of doing business in the state. The state TPT is 5.6%. Additional taxes are imposed by the counties and most cities.

Use tax is due when merchandise is purchased for use inside Arizona and tax is not paid to the seller. The use tax rate is the same as the TPT rate.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The transaction privilege tax and use tax are administered by the Arizona Department of Revenue.

Website: www.azdor.gov/transaction-privilege-tax-tpt

Unemployment Insurance

Website: www.azui.com

Corporate Annual Report

All profit and nonprofit corporations must file an annual report with the Arizona Corporation Commission.

Website: www.azcc.gov

Arkansas

www.dfa.arkansas.gov

Arkansas Department of Finance and Administration

Taxpayer information and assistance..... 501-682-4775

C Corporation Filing Requirements

Corporations organized or registered under Arkansas law, or having income from Arkansas sources, must file an Arkansas income tax return unless specifically exempt under Arkansas law. Corporations that are eligible members of an affiliated group filing a federal consolidated corporation income tax return may elect to file an Arkansas consolidated income tax return.

Corporation income tax return due date. Form AR1100CT, *Arkansas Corporation Income Tax Return*, is due by the 15th day of the fourth month following the close of the corporation's tax year.

Corporation income tax rate. If taxable income is:

| | | | | | | |
|-----------------|---|------|-------|---------|---|-----|
| \$ 0 to 3,000 | × | 1.0% | minus | \$ 0.00 | = | Tax |
| 3,001 to 6,000 | × | 2.0% | minus | 30.00 | = | Tax |
| 6,001 to 11,000 | × | 3.0% | minus | 90.00 | = | Tax |
| 11,001 and over | × | 4.3% | minus | 233.00 | = | Tax |

Corporation extension information. Arkansas allows an automatic extension until 30 days after the federal due date for taxpayers who file Form 7004 with the IRS. If additional time is needed beyond the automatic federal extension, file Form AR1155, *Request for Arkansas Extension of Time for Filing Income Tax Returns*, to request an additional 60-day extension beyond the federal due date. If Form 7004 is not filed with the IRS, file Form AR1155 to request a 180-day extension.

S Corporation Filing Requirements

Any corporation doing business in Arkansas and taxed as an S corporation for federal purposes must file an Arkansas S corporation income tax return.

S corporation income tax return due date. Form AR1100S, *Arkansas S Corporation Income Tax Return*, is due by the 15th day of the fourth month following the close of the S corporation's tax year.

S corporation income tax rate. S corporations are subject to Arkansas corporate income tax on income subject to the federal excess net passive income tax, capital gains tax, and built-in gains tax. These taxes are calculated at the highest Arkansas marginal tax rate of 4.3%.

S corporation extension information. Arkansas allows an automatic extension until the federal due date for taxpayers who file Form 7004 with the IRS and check the extension box on Form AR1100S. To request a 180-day extension if a federal extension was not filed, or to request an additional 60 days beyond the federal extended due date, file Form AR1155, *Request for Arkansas Extension of Time for Filing Income Tax Returns*, and attach a copy to the return.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership Filing Requirements

Every domestic or foreign partnership doing business in Arkansas, or having income from Arkansas sources, must file an Arkansas partnership income tax return.

Partnership income tax return due date. Form AR1050, *Arkansas Partnership Income Tax Return*, is due by the 15th day of the fourth month following the close of the partnership's tax year.

Partnership extension information. Arkansas allows an automatic extension until one month after the federal due date for taxpayers who file Form 7004 with the IRS. If a federal extension has not been requested, file Form AR1055-PE, *Request for Extension of Time for Filing Partnership Tax Returns*, to request a six-month extension.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

LLC Filing Requirements

An LLC doing business in Arkansas must file an Arkansas return consistent with its federal tax status. For example, an LLC characterized as a partnership for federal income tax purposes must file Form AR1050. If the LLC is a single-member disregarded entity for federal tax purposes, the activity is reported on the return of the owner.

Sales and Use Tax

Sales tax (gross receipts tax) is levied on retail sales and is collected by the retailer from customers and remitted by the retailer to the state of Arkansas. The current state sales tax rate for non-food items is 6.5%. Local rates also apply.

Use tax (compensating use tax) is levied on retail sales to every person in Arkansas for the privilege of storing, using, distributing, or consuming, within Arkansas, any article of tangible personal property or taxable service purchased from outside Arkansas. The use tax rate is the same as the sales tax rate.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Arkansas Department of Finance and Administration administers the sales and use tax.

Website: www.dfa.arkansas.gov/excise-tax/sales-and-use-tax

Taxpayer information and assistance..... 501-682-7104

Unemployment Insurance

Website: www.dws.arkansas.gov

Annual Franchise Tax

The franchise tax is a privilege tax imposed on corporations, including banking corporations and LLCs that are incorporated in Arkansas. The tax is also imposed on foreign corporations and LLCs that transact business in Arkansas. The franchise tax is administered by the Arkansas Secretary of State.

Website: www.sos.arkansas.gov

California

www.ftb.ca.gov

California Franchise Tax Board

Taxpayer information and assistance..... 800-852-5711

Tax Practitioner Hotline..... 800-401-3661

C Corporation Filing Requirements

Corporation franchise tax. Entities subject to the corporation minimum franchise tax include all corporations that are: (1) incorporated or organized in California, (2) qualified or registered to do business in California, or (3) doing business in California, whether or not incorporated, organized, qualified, or registered under California law.

Doing business. A taxpayer is doing business if it actively engaged in any transaction for the purpose of financial or pecuniary gain or profit in California or if any of the following conditions are satisfied.

- The taxpayer is organized or commercially domiciled in California.
- The sales of the taxpayer in California, including sales by the taxpayer's agents and independent contractors, exceed the lesser of \$757,070 or 25% of the taxpayer's total sales.
- The real property and tangible personal property of the taxpayer in California exceed the lesser of \$75,707 or 25% of the taxpayer's total real property and tangible personal property.
- The amount paid in California by the taxpayer for compensation exceeds the lesser of \$75,707 or 25% of the total compensation paid by the taxpayer.

In determining the taxpayer's sales, property, and payroll for doing business purposes, include the taxpayer's pro rata share of amounts from partnerships and S corporations.

Corporation income tax. The corporation income tax is imposed on all corporations that derive income from sources within California but are not doing business in California.

Corporation franchise or income tax return due date. Form 100, *California Corporation Franchise or Income Tax Return*, is due by the 15th day of the fourth month following the close of the corporation's tax year.

Corporation franchise or income tax rate. The tax rates below apply to corporations subject to either the corporation franchise tax or the corporation income tax. There is an \$800 minimum for all corporations subject to the franchise tax.

- Corporations other than banks and financial corporations..... 8.84%
- Banks and financial corporations..... 10.84%

Corporation extension information. California allows an automatic 7-month extension without written request. If tax is due, submit a payment with Form FTB 3539, *Payment for Automatic Extension for Corporations and Exempt Organizations*.

S Corporation Filing Requirements

S corporation franchise tax. Entities subject to the corporation minimum franchise tax include all S corporations that are: (1) incorporated or organized in California, (2) qualified or registered to do business in California, or (3) doing business in California, whether or not incorporated, organized, qualified, or registered under California law.

Doing business. See *Doing business*, above.

S corporation income tax. The corporation income tax is imposed on all S corporations that derive income from sources within California but are not doing business in California.

S corporation franchise or income tax return due date. Form 100S, *California S Corporation Franchise or Income Tax Return*, is due by the 15th day of the third month following the close of the corporation's tax year.

S corporation income tax rate. The tax rate for S corporations subject to either the franchise or the income tax is 1.5% (3.5% for financial S corporations). The tax rate for built-in gains and excess net passive income is 8.84% (10.84% for financial S corporations). All S corporations subject to the corporation franchise tax must pay at least the minimum tax of \$800.

S corporation extension information. California allows an automatic 6-month extension without written request. If tax is due, submit a payment with Form FTB 3539, *Payment for Automatic Extension for Corporations and Exempt Organizations*.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership Filing Requirements

Partnership tax. Every partnership that engages in a trade or business in California, or has income from a California source, must file a California partnership return. Limited partnerships and LLPs (both foreign and domestic) doing business in California, or that have a certificate on file or are registered with the California Secretary of State (whether or not doing business in California), must file a return and pay the \$800 annual tax.

Doing business. See *Doing business*, previous column.

Partnership income tax return due date. Form 565, *Partnership Return of Income*, is due by the 15th day of the third month following the close of the partnership's tax year.

LLCs classified as partnerships should not file Form 565. See *LLC income tax return due dates*, below.

Partnership extension information. California allows an automatic 7-month extension without written request. If tax is due, include Form FTB 3538, *Payment for Automatic Extension for LPs, LLPs, and REMICs*, with the payment. No extension is allowed for the \$800 annual tax.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

LLC Filing Requirements

An LLC classified for tax purposes as a partnership or as a disregarded entity must file a limited liability company return of income if the LLC is: (1) doing business in California, (2) organized in California, (3) organized in another state or foreign country, but registered with the California Secretary of State, or (4) has income from California sources.

Doing business. See *Doing business*, previous column.

LLC tax and fee. LLCs are subject to an \$800 annual tax if organized, registered, or doing business in California. The annual tax is due before the 15th day of the fourth month after the beginning of the tax year. In addition to the annual tax, every LLC must pay a fee if total California income is equal to or greater than \$250,000. The LLC must estimate the fee it will owe for the year and make an estimated fee payment by the 15th day of the sixth month of the current tax year using Form 3536, *Estimated Fee for LLCs*.

LLC income tax return due dates. For LLCs classified as partnerships and single-member LLCs owned by pass-through entities, Form 568, *Limited Liability Company Return of Income*, is due by the 15th day of the third month following the close of its tax year.

For a disregarded single-member LLC, Form 568 is due by the 15th day of the fourth month following the close of the tax year of the owner.

LLC extension information. California allows the following extensions without written request.

- LLCs classified as partnerships and single-member LLCs owned by pass-through entities have an automatic 7-month extension.
- Single-member LLCs that are disregarded for tax purposes have an automatic 6-month extension. This does not include a single-member LLC owned by a partnership which is granted seven months.

If tax is due, submit a payment with Form FTB 3537, *Payment for Automatic Extension for LLCs*.

Pass-through entity election. For LLCs classified as partnerships, see *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

Retailers engaged in business in California must register with the California Department of Tax and Fee Administration and pay California sales tax which applies to all retail sales of goods and merchandise except those sales specifically exempted by law. The statewide tax rate is 7.25% and district tax rates range from 0.1% to 2.0%. Some areas may have more than one district rate in effect.

The use tax generally applies to the storage, use, or other consumption in California of goods purchased from retailers in transactions not subject to the sales tax. Use tax may also apply to purchases shipped to a California consumer from another state.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The California Department of Tax and Fee Administration administers the sales and use tax.

Website: www.cdtfa.ca.gov/taxes-and-fees/sutprograms.htm

Taxpayer information and assistance..... 800-400-7115

Unemployment Insurance

Website: www.edd.ca.gov/unemployment

Colorado

<https://tax.colorado.gov>

Colorado Department of Revenue

Taxpayer information and assistance..... 303-238-7378

C Corporation Filing Requirements

Every corporation doing business in Colorado or deriving income from Colorado sources must file a corporation income tax return.

Corporation income tax return due date. Form DR 0112, *Colorado C Corporation Income Tax Return*, is due by the 15th day of the fifth month following the close of the corporation's tax year.

Corporation income tax rate.

Colorado corporate income tax rate..... 4.4 %

Corporation extension information. Colorado allows an automatic 6-month extension without written request. If tax is due, include Form DR 0158-C, *Extension of Time for Filing a Colorado C Corporation Income Tax Return*, with the payment.

Partnership/LLC/S Corporation Filing Requirements

Any partnership or S corporation must file a return for any year it is doing business in Colorado. A partnership or S corporation is doing business in Colorado whenever it meets the criteria set forth in Regulation 39-22-301(1). Partnerships subject to these requirements include any syndicate, group, pool, joint venture, or other unincorporated organization through or by means of which any business, financial operation, or venture is carried on, and which is not, for federal income tax purposes, considered a C corporation, trust, or estate.

Partnership/S corporation income tax return due date. Form DR 0106, *Colorado Partnership and S Corporation and Composite Nonresident Income Tax Return*, is due on the 15th day of the fourth month after the close of the partnership's or S corporation's tax year.

Partnership/S corporation extension information. Colorado allows an automatic 6-month extension without written request. If tax is due, include Form DR 0158-N, *Automatic Filing Extension for Partnerships and S Corporations Income Tax Return*, with the payment.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales Tax

Colorado imposes a sales tax of 2.9% on retail sales transactions. Many cities and counties impose a local sales/use tax on purchases and transactions within their boundaries. For state-collected jurisdictions, most goods are subject to sales tax. Some items are exempt from state sales and use tax, but may be subject to city and county sales taxes. Most pure services are not subject to Colorado sales tax, with exceptions.

Use tax is a complement to sales tax. If a vendor has not charged sales tax on a taxable retail sale, the purchaser must pay tax on the item. The state use tax rate is the same as the state sales tax rate.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Colorado Department of Revenue administers the Colorado state sales and use tax.

Website: <https://tax.colorado.gov/sales-use-tax>

Unemployment Insurance

Website: <https://cdle.colorado.gov/unemployment>

Periodic Report

Almost all business entities of record with the Secretary of State are required to file a Periodic Report. Reporting entities include corporations, nonprofit corporations, limited liability companies, cooperatives, limited liability limited partnerships, limited liability partnerships, and all foreign entities.

Website: www.sos.state.co.us

Connecticut

www.ct.gov/drs

Connecticut Department of Revenue Services

Taxpayer information and assistance..... 860-297-5962

C Corporation Filing Requirements

Every corporation (or association taxable as a corporation) that carries on business, or has the right to carry on business in Connecticut, must file a Connecticut income tax return unless specifically exempt under Connecticut law.

Corporation income tax return due date. Form CT-1120, *Corporation Business Tax Return*, is due by the 15th day of the month following the due date of the company's corresponding federal income tax return (May 15 for calendar year taxpayers).

Corporation income tax rate. Corporations compute tax both on a net income basis and on a capital stock basis. Tax is paid on the basis that yields the higher tax. The minimum amount of tax payable is \$250. A surtax of 10% applies unless gross income is less than \$100 million.

Net income tax rate..... 7.5%
Capital base tax rate..... 2.1 mills (0.0021) per dollar

Corporation extension information. Electronically file Form CT-1120 EXT, *Application for Extension of Time to File Corporation Business Tax Return*, to request an automatic extension of six months if Form 7004 was filed with the IRS. If federal Form 7004 was not filed, the corporation may apply for an extension if there is reasonable cause for the request. Payment of the total tax due must be included with the extension request.

Partnership/LLC/S Corporation Filing Requirements

Every pass-through entity that does business in Connecticut, or has income derived from or connected with sources within Connecticut, must file a Connecticut pass-through entity tax return.

Partnership/LLC/S corporation income tax return due date. Form CT-1065/CT-1120SI, *Connecticut Pass-Through Entity Tax Return*, is due by the 15th day of the third month following the close of the pass-through entity's tax year.

Partnership/LLC/S corporation extension information. File Form CT-1065/CT-1120SI EXT, *Application for Extension of Time to File Connecticut Pass-Through Entity Tax Return*, to request an extension of six months. Payment of the total tax due must be included with the request. Timely filing this form automatically extends the due date for six months only if federal

Form 7004 has been filed with the IRS. If federal Form 7004 was not filed, a pass-through entity can request a 6-month extension only if there is reasonable cause for the request.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales Tax

Connecticut imposes a statewide sales and use tax with no additional sales taxes imposed by local jurisdictions. The statewide rate of 6.35% applies to the retail sale, lease, or rental of most goods and taxable services. Exceptions apply.

Use taxes are due on the purchase of taxable goods or services from out-of-state retailers or Connecticut retailers who have failed to collect the sales tax.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The State of Connecticut Department of Revenue Services administers the Connecticut sales and use tax.

Website: <https://portal.ct.gov/DRS/Sales-Tax/Tax-Information>

Unemployment Insurance

Website: www.ct.gov/dol

Annual Report

Connecticut corporations (both stock or nonstock), limited liability companies, limited liability partnerships, and limited partnerships must file an annual business report with the Secretary of State.

Website: <https://business.ct.gov/file-annual-report>

Delaware

www.revenue.delaware.gov

Delaware Division of Revenue

Taxpayer information and assistance 302-577-8781

C Corporation Filing Requirements

Every domestic and foreign corporation doing business in Delaware, unless specifically exempt under Delaware law, is required to file a corporation income tax return regardless of the amount of its gross income or its taxable income.

Corporation income tax return due date. Form CIT-TAX, *Corporation Income Tax Return*, is due by the 15th day of the fourth month following the close of the corporation's tax year.

Corporation income tax rate.

Delaware corporate income tax rate 8.7%

Corporation extension information.

- Delaware allows an automatic 6-month extension if a federal extension is filed with the IRS. A copy of the federal extension must be attached to the final return when filed.
- If payment is due or a federal extension has not been filed, use Form CIT-EXT, *Corporate Income Tax Request for Extension*.
- An extension beyond the automatic 6-month period must be requested by letter on or before the extended due date of the return. A copy of the approval letter must be attached to the final return when filed.

S Corporation Filing Requirements

Every S corporation deriving income from sources within Delaware is required to file an S corporation return.

S corporation income tax return due date. Form SCT-RTN, *S Corporation Reconciliation and Shareholders Information Return*, is due by the 15th day of the third month following the close of the S corporation's tax year.

S corporation income tax rate. An S corporation is exempt from corporate taxation. Resident and nonresident shareholders must report their respective share of distributive income on their individual income tax returns. Form CMP-TAX, *Composite Personal Income Tax Return*, may be filed in lieu of individual nonresident income tax returns if certain conditions are met. An S corporation which has one or more nonresident shareholders is required to make estimated personal income tax payments on behalf of its nonresident shareholders.

S corporation extension information. S corporations follow the same rules as C corporations. However, if payment is due or a federal extension has not been filed, use Form SCT-EXT, *S Corporation Request for Extension*. See *Corporation extension information*, previous column.

Partnership/LLC Filing Requirements

Any business treated as a partnership for federal purposes, which has any income or loss derived from or connected with a Delaware source, must file a partnership return.

Partnership/LLC income tax return due date. Form PRT-RTN, *Partnership Return*, is due by the 15th day of the third month following the close of the partnership's tax year.

Partnership/LLC extension information. File a copy of the federal extension with the Delaware Division of Revenue to request an automatic extension for period covered by the federal extension. A copy of the federal extension must be attached to the final return when filed.

Gross Receipts Tax

Delaware does not impose a state or local sales tax, but does impose a gross receipts tax on the seller of goods (tangible or otherwise) or provider of services in the state. Unless otherwise specified by statute, the term "gross receipts" comprises the total receipts a business received from goods sold and services rendered in the state. There are no deductions for the cost of goods or property sold, labor costs, interest expense, discount paid, delivery costs, state or federal taxes, or any other expenses allowed. The gross receipts tax rates range from 0.0945% to 1.9914% depending on the business activity.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Unemployment Insurance

Website: <https://labor.delaware.gov/divisions/unemployment-insurance>

Annual Franchise Tax

All Delaware domestic corporations are required to file an annual report and pay any taxes and fees unless specifically exempt under Delaware law.

Website: www.corp.delaware.gov

District of Columbia

www.otr.cfo.dc.gov

District of Columbia Office of Tax and Revenue

Tax Practitioner Hotline 202-727-1435

Corporation Filing Requirements

Every corporation (including small businesses, professional corporations, and S corporations) that is carrying on or engaging in any trade, business, or commercial activity in District of Columbia, or receiving income from District of Columbia sources, must file a corporation return unless specifically exempt by District of Columbia law.

Corporation income tax return due date. Form D-20, *Corporation Franchise Tax Return*, is due by the 15th day of the fourth month following the close of the corporation's tax year.

Corporation income tax rate.

District of Columbia corporate income tax rate 8.25%

The minimum tax is \$250 if DC gross receipts are \$1 million or less, or \$1,000 if DC gross receipts are greater than \$1 million.

Note: Income reported and taxed on Form D-20 that is also reported on federal Form 1040 (such as flow-through income from an S corporation) is subtracted from income on Form D-40, *Individual Income Tax Return*.

Corporation extension information. File Form FR-120, *Extension of Time to File a DC Corporation Franchise Tax Return*, to request a 6-month extension. The request will be denied if any tax due is not paid with the extension request and the taxpayer may be subject to penalties for failure to file or failure to pay.

Unincorporated Business Filing Requirements

Generally, an unincorporated business with gross income over \$12,000, must file Form D-30, *Unincorporated Business Franchise Tax Return*. This includes any business carrying on or engaging in any trade, business, or commercial activity in District of Columbia, or receiving income from District of Columbia sources, including the rental or leasing of real property or tangible personal property and any other similar arrangement.

An unincorporated business with gross income of \$12,000 or less is not subject to the franchise tax or minimum tax even if it files a Form D-30 return for the purpose of obtaining a Certificate of Clean Hands.

Taxpayers who have other business activities with gross income of \$12,000 or less that operated as:

- A partnership, must file a Form D-65, *Partnership Return of Income*,
- A DC resident sole proprietor, must file a Form D-40, *Individual Income Tax Return*, or
- A DC resident trust, must file a Form D-41, *Fiduciary Income Tax Return*.

Multiple businesses. If an individual or group of individuals carries on two or more distinct unincorporated businesses in District of Columbia, the activities must be reported on one return.

Unincorporated business tax return due date. Form D-30, *Unincorporated Business Franchise Tax Return*, is due by the 15th day of the fourth month following the close of the unincorporated business' tax year.

Unincorporated business tax rate. District of Columbia unincorporated business income tax rate..... 8.25%

The minimum tax is \$250 if DC gross receipts are \$1 million or less, or \$1,000 if DC gross receipts are greater than \$1 million.

Note: Income reported and taxed on Form D-30 that is also reported on federal Form 1040 (such as flow-through income from partnership) is subtracted from income on Form D-40, *Individual Income Tax Return*.

Unincorporated business extension information. File Form FR-130, *Extension of Time to File a DC Unincorporated Business Franchise Tax Return*, to request a 6-month extension. The request will be denied if any tax due is not paid with the extension request.

Partnership/LLC Filing Requirements

All partnerships engaged in any trade or business in District of Columbia, or which received income from sources in District of Columbia, must file Form D-65, *Partnership Return of Income*, except for:

- Partnerships required to file Form D-30, *Unincorporated Business Franchise Tax Return*,
- Partnerships required to file Form D-20, *Corporation Franchise Tax Return*, or
- LLCs or publicly traded partnerships that filed a federal corporation return.

Partnership/LLC income tax return due date. Form D-65, *Partnership Return of Income*, is due by the 15th day of the fourth month following the close of the partnership's tax year.

Partnership/LLC extension information. File Form FR-165, *Extension of Time to File a DC Partnership Return*, to request a 6-month extension. If the form is filled out properly and filed on time, the extension will be allowed.

Sales Tax

A person doing business in District of Columbia must collect sales tax from the purchaser on all tangible personal property (except exempt items) and certain selected services sold or rented to businesses or individuals at retail in District of Columbia. The general rate for tangible personal property and selected services is 6%.

The use tax is imposed at the same rate as the sales tax on purchases made outside the District of Columbia and then brought into the District of Columbia to be used, stored or consumed, providing that the purchaser has not paid the sales tax on the purchases to another jurisdiction.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The District of Columbia Office of Tax and Revenue administers the sales and use tax.

Website: www.cfo.dc.gov

Unemployment Insurance

Website: www.does.dc.gov

Biennial Report

District of Columbia domestic and foreign corporations, LLCs, and LLPs are required to file a Biennial Report unless specifically exempt. The reports are administered by the DC Department of Licensing and Consumer Protection.

Website: <https://dlcp.dc.gov>

Personal Property Tax Return

Individuals, corporations, partnerships, executors, administrators, guardians, receivers, and trustees that own or hold personal property in trust in the District of Columbia must file a DC personal property tax return. Returns must be filed electronically at www.mytax.dc.gov and are due July 31.

Florida

www.floridarevenue.com

Florida Department of Revenue

Taxpayer information and assistance..... 850-488-6800

C Corporation Filing Requirements

The following entities must file a Florida corporation income/franchise tax return.

- All corporations, bank and savings associations, associations, or artificial entities doing business, earning income, or existing in Florida.
- Foreign corporations that are partners or members in a Florida partnership or joint venture.
- An LLC that is classified as a corporation for Florida and federal income tax purposes.
- A corporate owner of an LLC that is classified as a partnership for Florida and federal income tax purposes.
- A single-member LLC disregarded for Florida and federal income tax purposes is not required to file a separate Florida corporate income tax return. Income must be reported on the owner's return if the single-member LLC is owned, directly or indirectly, by a corporation. The corporation must file a return reporting its own income and the income of the single-member LLC.
- Homeowner and condominium associations that file federal Form 1120.
- Political organizations that file federal Form 1120-POL.
- S corporations that pay federal income tax on line 23c of federal Form 1120-S.
- Tax-exempt organizations that have "unrelated trade or business taxable income."

Corporation income tax return due date. Form F-1120, *Florida Corporate Income/Franchise Tax Return*, is due by the first day of the fifth month following the close of the corporation's tax year or the 15th day following the due date (without extension) for the filing of the related federal return for the tax year, whichever is later. Certain corporations may qualify to file Form F-1120A, *Florida Corporate Short Form Income Tax Return*.

Corporation income tax rate.

Florida corporate income tax rate 5.5%

Corporation extension information. File Form F-7004, *Florida Tentative Income/Franchise Tax Return and Application for Extension of Time to File Return*, to request a 6-month extension. If tentative tax is underpaid by more than the greater of \$2,000 or 30% of the tax shown on the return when filed, the extension will be invalid and a late filing penalty will be imposed.

S Corporation Filing Requirements

S corporations that pay federal income tax on line 23c of federal Form 1120-S must file a Florida corporate income tax return. See *C Corporation Filing Requirements*, above.

Partnership/LLC Filing Requirements

Every Florida partnership having any partner subject to the Florida Corporate Income Tax Code is required to file Form F-1065, *Florida Partnership Information Return*. An LLC with a corporate partner, if classified as a partnership for federal tax purposes, is also required to file Form F-1065.

A Florida partnership is a partnership formed under the laws of Florida or a partnership doing business, earning or receiving income, or existing in Florida.

Partnership/LLC income tax return due date. Form F-1065, *Florida Partnership Information Return*, is due by the first day of the fourth month following the close of the partnership's tax year.

Partnership/LLC extension information. File Form F-7004, *Florida Tentative Income/Franchise Tax Return and Application for Extension of Time to File Return*, to request a 6-month extension.

Sales and Use Tax

Sales tax applies to the sale, rental, lease, or license to use certain property or goods (tangible personal property) and certain services in Florida, unless the transaction is specifically exempt. Many counties also impose a discretionary sales surtax on transactions that are subject to sales and use tax. Florida's general state sales tax rate is 6%.

Use tax complements and is applied in the same manner and at the same rate as sales tax. Use tax and surtax apply to purchases of taxable goods or services that are brought into Florida untaxed or taxed at a rate less than the Florida sales and use tax rate.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Florida Department of Revenue administers the sales and use tax.

Website: www.floridarevenue.com

Reemployment Assistance

Website: www.floridajobs.org/reemployment-assistance-service-center

Annual Report

All domestic and foreign corporations, LPs, and LLCs are required to file an Annual Report unless specifically exempt under Florida law.

Website: <https://dos.fl.gov/sunbiz>

Tangible Personal Property

Anyone who owns tangible personal property (TPP) on January 1 and who has a proprietorship, partnership, corporation, or is a self-employed agent or contractor, must file Form DR-405, *Tangible Personal Property Tax Return*, with their local property appraiser by April 1.

Georgia

www.dor.georgia.gov

Georgia Department of Revenue

Taxpayer information and assistance..... 877-423-6711

C Corporation Filing Requirements

All corporations that own property, or do business in Georgia, or that have income from Georgia sources, are required to file a Georgia income tax return.

Corporation income tax return due date. Form 600, *Georgia Corporation Tax Return*, is due by the 15th day of the fourth month following the close of the corporation's tax year.

Corporation income tax rate. Georgia imposes a corporate income tax at a flat rate of 5.19% of Georgia net taxable income.

Georgia also imposes a graduated net worth tax up to \$5,000. Corporations with a net worth of \$100,000 or less are not subject to the tax but must file a return.

Corporation extension information.

- Georgia allows an automatic 6-month extension for taxpayers who file Form 7004 with the IRS. A copy of the federal extension must be attached to the final return when filed.
- If no federal extension is filed, use Form IT-303, *Application for Extension of Time for Filing State Income Tax Returns*, to request an extension of up to six months.
- If tax is due, include Form IT-560C, *Payment of Income Tax and/or Net Worth Tax Payment Voucher*, with the payment.

S Corporation Filing Requirements

All corporations that own property, do business in Georgia, or derive income from Georgia sources are required to file a Georgia income tax return.

S corporation income tax return due date. Form 600S, *Georgia S Corporation Tax Return*, is due by the 15th day of the third month following the close of the S corporation's tax year.

S corporation income tax rate. S corporations are subject to Georgia corporate income tax on income subject to the federal excess net passive income tax, capital gains tax, and built-in gains tax. These taxes are calculated at a 5.19% income tax rate. S corporations are also subject to a graduated tax based on corporate net worth.

S corporation extension information. S corporations follow the same rules as C corporations. See *Corporation extension information*, previous column.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

A partnership, LLC, syndicate, group, pool, joint venture, and unincorporated organization which is engaged in business or derives income from property located in Georgia, or has members domiciled in Georgia, and which is required to file a federal partnership income tax return, is required to file a Georgia partnership income tax return.

Partnership/LLC income tax return due date. Form 700, *Partnership Tax Return*, is due by the 15th day of the third month following the close of the partnership's tax year.

Partnership/LLC extension information. Partnerships follow the same rules as C corporations. See *Corporation extension information*, previous column.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

Sales and use tax is a tax upon the use, consumption, distribution, or storage of tangible personal property and certain services. It is levied or imposed upon retail sales, rentals, leases, uses, or consumption of tangible personal property, and certain services. Georgia's general sales tax rate is 4%. Sales tax is also imposed by local jurisdictions at varying rates.

Georgia use tax is due on all purchases made through the internet, via mail order, or from an out-of-state company when Georgia sales tax is not collected by the selling company. The use tax rate is the same as the sales tax rate imposed in the Georgia county of delivery.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Georgia Department of Revenue administers the sales and use tax.

Website: www.dor.georgia.gov/taxes/sales-use-tax

Unemployment Insurance

Website: www.dol.georgia.gov

Annual Registration with the Secretary of State

All Georgia corporations and foreign corporations that qualify to do business in Georgia must file an annual registration with the Secretary of State.

Website: <https://sos.ga.gov>

Tangible Personal Property

Businesses owning tangible personal property must file a business personal property tax return. The tangible personal property tax is administered by the Tax Commissioner or the Tax Assessor in the county where the property is located.

Hawaii

<https://tax.hawaii.gov>

Hawaii Department of Taxation

Taxpayer information and assistance..... 800-222-3229

C Corporation Filing Requirements

Form N-30, *Corporation Income Tax Return*, must be filed by every corporation (other than S corporations), including regulated investment companies and real estate investment trusts, domestic or foreign, that has gross income from property owned, trade or business carried on, or any other source in Hawaii, unless expressly exempted. In addition, every domestic corporation (unless exempted) must file this return if it has gross income from property owned, trade or business carried on, or any other source outside Hawaii, unless the income is subject to income tax in any other jurisdiction.

Corporation income tax return due date. Form N-30, *Corporation Income Tax Return*, is due by the 20th day of the fourth month following the close of the corporation's tax year.

Corporation income tax rate.

Tax on capital gains..... 4%

Tax on all other taxable income:

| | | | |
|-------------------|--------|----------------|-------|
| \$ 0 to 25,000 | × 4.4% | minus \$ 0.00 | = Tax |
| 25,001 to 100,000 | × 5.4% | minus 250.00 | = Tax |
| 100,001 and over | × 6.4% | minus 1,250.00 | = Tax |

Corporation extension information. Hawaii allows an automatic 6-month extension of time to file a return without filing a written request. To make a payment, file Form N-201V, *Business Income Tax Payment Voucher*.

S Corporation Filing Requirements

A corporation must file Form N-35, *S Corporation Income Tax Return*, if it has elected to be treated as an S corporation for federal purposes, the IRS has accepted the election, and the election remains in effect. S corporations which are financial corporations subject to tax under Chapter 241, Hawaii Revised Statutes, must file Form F-1, *Franchise Tax Return*.

S corporation income tax return due date. Form N-35, *S Corporation Income Tax Return*, is due by the 20th day of the fourth month following the close of the S corporation's tax year.

S corporation income tax rate. S corporations are subject to Hawaii corporate income tax on income subject to the federal excess net passive income tax, capital gains tax, built-in gains tax, and LIFO recapture tax.

S corporation extension information. S corporations follow the same rules as C corporations. See *Corporation extension information*, above.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

Every partnership, including LLCs treated as partnerships for federal income tax purposes, unless expressly exempted, must file Form N-20, *Partnership Return of Income*, stating specifically the items of gross income and allowable deductions. The partnership return must include the income, deductions, and credits attributable everywhere, together with the income, deductions, and credits attributable only to Hawaii.

Partnership/LLC income tax return due date. Form N-20, *Partnership Return of Income*, is due by the 20th day of the fourth month following the close of the partnership's tax year.

Partnership/LLC extension information. Partnerships follow the same rules as C corporations. See *Corporation extension information*, above.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

General Excise Tax and Use Tax

The general excise tax is levied on gross income from almost all types of business activities. These include sales of tangible personal property at both wholesale and retail, services, contracting, commissions, interest, lease or rental activities, and more. The general excise tax rate is 0.15% on insurance commissions, 0.5% on certain activities such as wholesaling, and 4% on most activities at the consumer level. The 4% rate applies statewide except in a county where the tax rate includes a 0.5% surcharge for

a total tax rate of 4.5%. The county surcharge does not apply to activities taxed at the 0.5% or 0.15% rates.

The use tax rates are 4% (or 4.5% depending on the county) on imports for an individual's own use or consumption and 0.5% on imports for resale at retail. Use tax is levied on the landed value of tangible personal property imported into Hawaii and complements the general excise tax by requiring persons importing goods from outside Hawaii to pay the same rate of tax that an in-state seller would have paid in general excise tax had those goods been purchased in Hawaii.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The State of Hawaii Department of Taxation administers the general excise and use tax.

Website: <https://tax.hawaii.gov/geninfo/get>

Unemployment Insurance

Website: <https://labor.hawaii.gov/ui>

Annual Report

Corporations, partnerships, LLCs, and LLPs must file an annual report with the Department of Commerce and Consumer Affairs, Business Registration Division (BREG).

Website: www.cca.hawaii.gov/breg

Idaho

www.tax.idaho.gov

Idaho State Tax Commission

Taxpayer information and assistance..... 800-972-7660

C Corporation Filing Requirements

Corporations or associations that are transacting business in Idaho, are registered with the Idaho Secretary of State to do business in Idaho, or have income attributable to Idaho, must file a corporation income tax return unless specifically exempt under Idaho law.

Corporation income tax return due date. Form 41, *Corporation Income Tax Return*, is due by the 15th day of the fourth month following the close of the corporation's tax year.

Corporation income tax rate.

Idaho corporate income or franchise tax rate..... 5.3%

The minimum amount of tax due is \$20. In addition, corporations must pay a permanent building fund (PBF) tax of \$10.

Corporation extension information. Idaho allows an automatic 6-month extension without written request. To avoid a penalty, tax payments must be at least 80% of the current year's tax liability or 100% of the prior year's tax liability. If tax is due, include Form 41ES, *Estimated Tax Payment/Extension of Time Payment/ABE Payment, Business Income Tax*, with the payment.

S Corporation Filing Requirements

A corporation filing as an S corporation for federal income tax purposes must file an Idaho S corporation return if the corporation is transacting business in Idaho or is registered with the Idaho Secretary of State to do business in Idaho. Idaho accepts the federal approval of the S corporation election.

S corporation income tax return due date. Form 41S, *S Corporation Income Tax Return*, is due by the 15th day of the fourth month following the close of the S corporation's tax year.

S corporation income tax rate. S corporations are taxed on excess net passive income and net recognized built-in gains at the corporate rate of 5.3%. The entity will owe the minimum tax of \$20. An S corporation must also pay a permanent building fund (PBF) tax of \$10 for each shareholder for whom it pays Idaho income tax due.

S corporation extension information. S corporations follow the same rules as C corporations. See *Corporation extension information*, above.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

Partnerships that are transacting business in Idaho, and LLCs treated as partnerships for federal income tax purposes that are transacting business in Idaho, must file an Idaho partnership return.

Partnership/LLC income tax return due date. Form 65, *Partnership Return of Income*, is due by the 15th day of the fourth month following the close of the partnership's tax year.

Partnership/LLC income tax rate. Partnerships generally pass income through to partners. However, a partnership must pay the permanent building fund (PBF) tax of \$10 for each partner for whom it pays the Idaho income tax due.

Partnership/LLC extension information. Partnerships follow the same rules as C corporations. See *Corporation extension information*, page 34-9.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

The Idaho sales tax rate is 6%. Sales tax applies to the sale, rental, or lease of tangible personal property and some services. Sales of food are taxed, but sales of prescription drugs are not. Additional taxes apply to sales of lodging at hotels, motels, and campgrounds. Some Idaho cities and counties impose a local option sales tax.

Use tax is a complementary tax to the sales tax. The use tax is imposed on the consumption, use, or storage of goods in Idaho if sales tax was not paid on the purchase of the goods.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Idaho State Tax Commission administers the sales and use tax.

Website: www.tax.idaho.gov/taxes/sales-use

Unemployment Insurance

Website: www.labor.idaho.gov

Illinois

www.tax.illinois.gov

Illinois Department of Revenue

Taxpayer information and assistance..... 800-732-8866

C Corporation Filing Requirements

A corporation must file an Illinois corporation income tax return if it:

- Has net income or loss as defined under the Illinois Income Tax Act (IITA), or
- Is qualified to do business in the state of Illinois and is required to file a federal income tax return (regardless of net income or loss).

Corporation income tax return due date. Form IL-1120, *Corporation Income and Replacement Tax Return*, is due by the 15th day of the fourth month following the close of the corporation's tax year. If the tax year ends on June 30, the due date is the 15th day of the third month following the close of the tax year. For cooperatives, the due date is the 15th day of the ninth month following the close of the tax year.

Corporation income tax rate.

Illinois corporate income tax rate..... 7.0%
Illinois replacement tax rate..... 2.5%

Replacement taxes are revenues received from businesses collected by the state of Illinois and paid to local governments.

Corporation extension information. Illinois allows an automatic 7-month extension without written request. Corporations, other than cooperatives, whose tax year ends on June 30 are allowed an automatic 8-month extension. If tax is due, include Form IL-1120-V, *Payment Voucher for Corporation Income and Replacement Tax*, with the payment. An extension beyond the automatic extension period will be granted only if an extension of more than six months is granted by the IRS.

S Corporation Filing Requirements

A small business corporation that has elected to be treated as an S corporation for federal income tax purposes must file an Illinois S corporation return if it:

- Has net income or loss as defined under the Illinois Income Tax Act (IITA), or
- Is qualified to do business in the state of Illinois and is required to file federal Form 1120-S (regardless of net income or loss).

S corporation income tax return due date. Form IL-1120-ST, *Small Business Corporation Replacement Tax Return*, is due by the 15th day of the third month following the close of the S corporation's tax year.

S corporation income tax rate.

S corporation replacement tax rate..... 1.5%

Replacement taxes are revenues received from businesses collected by the state of Illinois and paid to local governments.

S corporation extension information. Illinois allows an automatic 7-month extension without written request. If tax is due, include Form IL-1120-ST-V, *Payment Voucher for Small Business Corporation Replacement Tax*, with the payment.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

Partnerships that have base income or loss as defined under the Illinois Income Tax Act (IITA) must file an Illinois partnership return. Partnerships organized for the sole purpose of playing the Illinois State Lottery are not required to file Form IL-1065.

A partnership is an entity that is treated as a partnership for federal income tax purposes. A partnership that has elected under IRC section 761 to be excluded from the partnership provisions of the IRC is also excluded for purposes of the IITA.

Partnership/LLC income tax return due date. Form IL-1065, *Partnership Replacement Tax Return*, is due by the 15th day of the fourth month following the close of the partnership's tax year.

Partnership income tax rate.

Partnership replacement tax rate..... 1.5%

Replacement taxes are revenues received from businesses collected by the state of Illinois and paid to local governments.

Partnership/LLC extension information. Illinois allows an automatic 6-month extension without written request. If tax is due, include Form IL-1065-V, *Payment Voucher for Partnership Replacement Tax*, with the payment. An extension beyond the automatic extension period will be granted only if an extension of more than six months is granted by the IRS.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

Sales tax is imposed on a seller's receipts from sales of tangible personal property for use or consumption. Tangible personal property does not include real estate, stocks, bonds, or other paper assets representing an interest. If the seller does not charge Illinois sales tax, the purchaser must pay the tax directly to the department. Sales tax is a combination of occupation taxes that are imposed on sellers' receipts and use taxes that are imposed on amounts paid by purchasers. Illinois' sales tax rate is 6.25% on general merchandise and 1% on qualifying foods, drugs, and medical appliances. The tax rate may be higher in some areas where local jurisdictions impose their own taxes.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Illinois Department of Revenue administers the sales and use tax.

Website: <https://tax.illinois.gov/research/taxinformation/sales>

Unemployment Insurance

Website: www.ides.illinois.gov

Indiana

www.in.gov/dor

Indiana Department of Revenue

Taxpayer information and assistance.....317-232-0129

C Corporation Filing Requirements

Any corporation doing business and having gross income in Indiana is required to file a corporation income tax return unless specifically exempt. Indiana tax law requires all corporations to adopt their federal tax year for reporting income to Indiana.

Corporation income tax return due date. Form IT-20, *Indiana Corporate Adjusted Gross Income Tax Return*, is due by the 15th day of the fifth month following the close of the tax year. For a cooperative association, Form IT-20 is due by the 15th day of the 10th month following the close of the tax year.

Corporation income tax rate.

Indiana corporate income tax rate4.9%

Corporation extension information. Indiana recognizes the federal extension. Returns postmarked within 30 days after the last date indicated on the federal extension are considered timely filed. If a corporation does not need a federal extension, but needs one for filing the state return, a state extension can be requested by submitting a letter to the Indiana Department of Revenue or online at www.intime.dor.in.gov.

S Corporation Filing Requirements

Any S corporation doing business in Indiana and deriving gross income from sources within Indiana must file an Indiana S corporation return and information returns disclosing each shareholder's share of distributed and undistributed income. Corporations that have elected S corporation treatment for federal income tax purposes are exempt from the Indiana adjusted gross income tax for any tax period for which the election is in effect, except on passive income and built-in gains.

S corporation income tax return due date. Form IT-20S, *Indiana S Corporation Income Tax Return*, is due by the 15th day of the fourth month following the close of the S corporation's tax year.

S corporation income tax rate. Passive income and built-in gains are taxed at the corporate adjusted gross income tax rate of 4.9%.

S corporation extension information. Indiana recognizes the federal extension. Returns postmarked within 30 days after the last date indicated on the federal extension are considered timely filed. If a corporation does not need a federal extension, but needs one for filing the state return, a state extension can be requested online at www.intime.dor.in.gov or by submitting a letter to the Indiana Department of Revenue. If applicable, enclose a copy of the federal extension with the state return when filed.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

Any partnership doing business in Indiana or deriving gross income from sources within Indiana is required to file a return. In addition, any partnership that has partners residing in Indiana is required to file a return, even if the partnership is not doing business in Indiana.

Partnership/LLC income tax return due date. Form IT-65, *Indiana Partnership Return*, is due by the 15th day of the fourth month following the close of the partnership's tax year.

Partnership/LLC extension information. Partnerships follow the same rules as S corporations. See *S corporation extension information*, above.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

Sales tax is collected on the sale of merchandise within Indiana. The merchants collect the tax on behalf of Indiana and are held liable for the amount they should collect, even if no collection of the tax was made. Retail merchants must collect the sales tax unless they receive an exemption certificate from the purchaser, or if the merchandise is shipped out of Indiana. If sales tax is not paid to the supplier, use tax must be paid directly

to the Department of Revenue. Use tax is paid on purchases made outside Indiana when sales tax is not collected. In Indiana, the sales and use tax rate is 7% of the purchase price.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Indiana Department of Revenue administers the sales and use tax.

Website: www.in.gov/dor/business-tax/sales-tax

Unemployment Insurance

Website: www.in.gov/dwd/indiana-unemployment

Personal Property Return

All businesses, churches, and not-for-profit organizations must file business tangible personal property forms with the assessor's office by May 15 each year. Business tangible property is the value of all property besides real estate that is used in a business or organization. Property tax is administered by the Department of Local Government Finance.

Website: www.in.gov/dlgf

Iowa

<https://revenue.iowa.gov>

Iowa Department of Revenue

Taxpayer information and assistance.....515-281-3114

C Corporation Filing Requirements

Every corporation doing business in Iowa, or deriving income from sources within Iowa, must file an Iowa corporation return unless exempt by Iowa law.

Corporation income tax return due date. Form IA 1120, *Iowa Corporation Income Tax Return*, is due by the last day of the fourth month after the close of the corporation's tax year.

Corporation income tax rate. If taxable income is:

| | | | |
|------------------|--------|----------------|-------|
| \$ 0 to 100,000 | × 5.5% | minus \$ 0.00 | = Tax |
| 100,001 and over | × 7.1% | minus 1,600.00 | = Tax |

Corporation extension information. Iowa allows an automatic 6-month extension without written request if at least 90% of the tax liability is paid by the original return due date. If an additional payment is necessary to meet the 90% requirement, file Form IA 1120V, *Corporate Tax Payment Voucher*, with the payment.

S Corporation Filing Requirements

Every S corporation doing business in Iowa, deriving income from sources within Iowa, or which is domiciled in Iowa, must file an Iowa corporation return.

Note: A non-Iowa S corporation should not file only because one or more of its shareholders are Iowa residents or because it is registered with the Iowa Secretary of State.

S corporation income tax return due date. Form IA 1120S, *Iowa Income Tax Return for S Corporation*, is due on or before the last day of the fourth month after the close of the S corporation's tax year.

S corporation income tax rate. Passive income and built-in gains are taxed at the corporate income tax rate. See *Corporation income tax rate*, above.

S corporation extension information. Iowa allows an automatic 6-month extension without written request if at least 90% of total tax liability is paid by the due date.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

Every partnership deriving income/loss from real, tangible, or intangible property owned within Iowa, or from a business, carried on within Iowa, must file a partnership return of income. The Iowa partnership form must also be used by syndicates, pools, joint ventures, limited liability companies, and other similar entities required to report activities on a federal partnership return.

Note: Only partnerships with activity (income/loss) from Iowa sources, or which are domiciled in Iowa, are required to file. A non-Iowa partnership should not file only because one or more of its partners are Iowa residents, or because it is registered with the Iowa Secretary of State.

Partnership/LLC income tax return due date. Form IA 1065, *Iowa Partnership Return of Income*, is due on or before the last day of the fourth month after the close of the partnership's tax year.

Partnership/LLC extension information. Partnerships follow the same rules as S corporations. See *S corporation extension information*, page 34-11.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

All sales of tangible personal property in Iowa are subject to sales tax unless exempted by state law. Sales of services are exempt from Iowa sales tax unless taxed (enumerated) by state law. The retailer must add the tax to the price of the goods or services and collect the tax from the purchaser. Sales tax is applied and due when taxable services are rendered, furnished or performed, or when taxable goods are delivered, not when payment is received from the customer. Iowa's state sales tax rate is 6%. In addition to the state rate, most local jurisdictions impose a local options sales tax at a rate of 1%.

The use tax is complementary to sales tax. The general rule is when a transaction is subject to sales tax, but occurs outside of Iowa for use in Iowa (a taxable use), it is subject to use tax.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Iowa Department of Revenue administers the sales and use tax.

Website: <https://tax.iowa.gov/iowa-sales-and-use-tax-guide>

Unemployment Insurance

Website: www.workforce.iowa.gov

Kansas

www.ksrevenue.gov

Kansas Department of Revenue

Taxpayer information and assistance..... 785-368-8222

C Corporation Filing Requirements

All corporations doing business in, or deriving income from sources within Kansas who are required to file a federal income tax return, must file a Kansas corporation income tax return whether or not a tax is due, unless specifically exempt under Kansas law.

Corporation income tax return due date. Form K-120, *Kansas Corporation Income Tax*, is due one month following the due date of the corporation's federal income tax return. Payment of any liability is due by the 15th day of the fourth month following the end of the tax year.

Corporation income tax rate. Kansas imposes a corporate income tax rate of 3.5% on total taxable income, plus a 3% surtax on taxable income over \$50,000.

Corporate extension information. Taxpayers who file Form 7004 with the IRS and attach a copy to the Kansas return are allowed an automatic extension to one month after the extended due date of the federal return. Kansas does not have a separate extension form. Use Form K-120V, *Corporate Income Tax Voucher*, to make a payment.

S Corporation/Partnership/LLC Filing Requirements

All corporations doing business in, or deriving income from sources within Kansas who are required to file a federal income tax return, must file a Kansas corporation income tax return whether or not a tax is due. Corporations that elect, under Subchapter S of the IRC, not to be taxed as a corporation must file Form K-120S, *Kansas Partnership or S Corporation Income*.

Banks and savings and loan associations allowed to file as small business corporations at the federal level are not allowed to file as small business corporations at the Kansas level. Those entities are required to file Form K-130, *Kansas Privilege Tax*.

A partnership return (Form K-120S) must be completed by any business partnership, syndicate, pool, joint venture or other such joint enterprise to report income from operations. The Kansas partnership return must be completed by every enterprise that has income or loss derived from Kansas sources, regardless of the amount of income or loss. Any partnership, joint venture, syndicate, etc., which is required to file a partnership return of income for federal purposes, is required to file a Kansas partnership return if such enterprise receives income or loss from Kansas sources.

S corporation/partnership/LLC income tax return due date. Form K-120S, *Kansas Partnership or S Corporation Income*, is due one month following the due date of the federal return. Payment of any liability is due April 15.

S corporation/partnership/LLC extension information. Kansas allows an automatic 6-month extension for partnerships and S corporations who file Form 7004 with the IRS. A copy of the federal extension must be attached to the final return when filed. Kansas does not have a separate extension form.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

Kansas imposes a 6.5% state retailers' sales tax, plus applicable local taxes on:

- The retail sale, rental, or lease of tangible personal property,
- Labor services to install, apply, repair, service, alter, or maintain tangible personal property, and
- Admissions to entertainment, amusement, or recreation places in Kansas.

Cities and counties in Kansas may also levy a local sales tax. Each retailer reports and remits the total of the state and local retailers' sales tax collected to the Department of Revenue.

The consumers' compensating use tax is due when Kansas residents buy goods or merchandise for their use or consumption in Kansas from vendors in other states on which a state and local sales tax rate equal to that of the Kansas buyer has not been paid.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Kansas Department of Revenue administers the sales and use tax.

Website: www.ksrevenue.org/bustaxtypesales.html

Unemployment Insurance

Website: www.dol.ks.gov

Intangibles Tax

The intangibles tax is a local tax levied on gross earnings received from intangible property such as savings accounts, stocks, bonds, accounts receivable, and mortgages. All Kansas residents and corporations owning taxable property, and every nonresident owning accounts receivable or other intangible property with a Kansas business situs, receiving earnings from this property during the calendar year or fiscal year, must file Form 200, *Local Intangibles Tax Return*, by April 15 with their county clerk if the tax due is \$5 or more.

Kentucky

www.revenue.ky.gov

Kentucky Department of Revenue

Taxpayer information and assistance..... 502-564-8139

C Corporation Filing Requirements

Unless specifically exempt by law, a Kentucky corporation income tax and limited liability entity tax return must be filed by every corporation (a) organized under the laws of Kentucky, (b) having its commercial domicile in Kentucky, (c) owning or leasing property in Kentucky, (d) having one or more individuals performing services in Kentucky, (e) maintaining an interest in a pass-through entity doing business in Kentucky, (f) deriving income from or attributable to sources within Kentucky, including deriving income directly or indirectly from a trust doing business in Kentucky, or deriving income directly or indirectly from a single-member LLC that is doing business in Kentucky and is disregarded as an entity separate from

its single member for federal income tax purpose, or (g) directing activities at Kentucky customers for the purposes of selling them goods or services.

Corporation income tax return due date. Form 720, *Kentucky Corporation Income Tax and LLET Return*, is due by the 15th day of the fourth month following the close of the corporation's tax year.

Corporation income tax rate.

Kentucky corporate income tax rate 5%

Limited liability entity tax (LLET). Corporations are also subject to the LLET unless specifically exempt. The LLET is the lesser of \$0.095 per \$100 of the Kentucky gross receipts, or \$0.75 per \$100 of the Kentucky gross profits of a corporation or limited liability pass-through entity. The minimum amount of LLET tax payable is \$175.

Note: Any corporation that is subject to the corporation income tax and LLET may use the LLET due as a credit against the corporation income tax.

Corporation extension information. A 7-month extension of time to file may be obtained by filing Form 720EXT, *Extension of Time to File Kentucky Corporation/LLET Return*, or attaching a copy of the federal extension to the return when filed. Use Form 720EXT to make a payment.

S Corporation/Partnership/LLC Filing Requirements

A return must be filed by every pass-through entity (a) organized under the laws of Kentucky, (b) having a commercial domicile in Kentucky, (c) owning or leasing property in Kentucky, (d) having one or more individuals performing services in Kentucky, (e) maintaining an interest in a pass-through entity doing business in Kentucky, (f) deriving income from or attributable to sources within Kentucky, including deriving income directly or indirectly from a trust doing business in Kentucky, or deriving income directly or indirectly from a single member limited liability company that is doing business in Kentucky and is disregarded as an entity separate from its single member for federal income tax purposes, or (g) directing activities at Kentucky customers for the purpose of selling them goods or services.

A Qualified Sub Chapter S Subsidiary (QSSS) and a single-member LLC are treated in the same manner as they are treated for federal income tax purposes. Therefore, a QSSS or a single-member LLC that is disregarded for federal income tax purposes should be included in the return filed by its single member (owner).

S corporation/partnership/LLC income tax return due date. Form PTE, *Kentucky Pass-Through Entity Income and LLET Return*, is due by the 15th day of the fourth month following the close of the entity's tax year.

S corporation/partnership/LLC income tax rate. S corporations are subject to a 5% tax on LIFO recapture, built-in gains, and net passive investment income.

Every corporation and every limited liability pass-through entity doing business in Kentucky is subject to a limited liability entity tax (LLET) on all Kentucky gross receipts or Kentucky gross profits unless specifically exempt. The LLET rate for pass-through entities is the same as corporations. See *Limited liability entity tax (LLET)*, above.

Resident and nonresident shareholders are entitled to a nonrefundable LLET credit against their Kentucky individual income tax.

S corporation/partnership/LLC extension information. A 6-month extension of time to file may be obtained by filing Form 720EXT, *Extension of Time to File Kentucky Corporation/LLET Return*, or attaching a copy of the federal extension to the return when filed. Use Form 720EXT to make a payment.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

Kentucky sales tax is imposed on the gross receipts derived from both retail sales of tangible personal property and sales of certain services to the final customer in Kentucky.

Kentucky use tax is imposed on the purchase price of tangible personal property purchased for storage, use or other consumption in Kentucky. The use tax generally applies to property purchased outside the state for storage, use or consumption within the state.

Kentucky sales and use tax is imposed at the rate of 6% of gross receipts or purchase price. There are no local sales and use taxes in Kentucky.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Kentucky Department of Revenue administers the sales and use tax.

Website: <https://revenue.ky.gov/business/sales-use-tax>

Unemployment Insurance

Website: <https://kcc.ky.gov>

Tangible Property Tax

All individuals and business entities who own, lease, or have a beneficial interest in taxable tangible property located within Kentucky must file a tangible property tax return. All tangible property is taxable unless specifically exempt.

Website: <https://revenue.ky.gov/property/business-personal-property>

Local Taxes

Local occupational, net profits, and gross receipts taxes are administered by local agencies.

Website: www.kyola.org

Louisiana

www.revenue.louisiana.gov

Louisiana Department of Revenue

Taxpayer information and assistance 855-307-3893

Corporation Filing Requirements

Corporations organized under the laws of Louisiana must file an income and franchise tax return unless exempt from both taxes. Corporations organized under the laws of a state other than Louisiana that derive income from Louisiana sources must file an income tax return whether or not there is any tax liability. A foreign corporation is subject to the franchise tax if it meets any one of the criteria listed, below.

- 1) Qualifying to do business in Louisiana or actually doing business within the state,
- 2) Exercising or continuing the corporate charter within Louisiana, or
- 3) Owning or using any part or all of the corporate capital, plant, or other property in Louisiana in a corporate capacity.

Any entity taxed as a corporation for federal income tax purposes will also be taxed as a corporation for Louisiana income tax purposes.

Corporation income tax return due date. Form CIFT-620, *Louisiana Corporation Income and Franchise Tax Return*, is due by the 15th day of the fifth month following the close of the corporation's tax year.

Corporation income tax rate.

Louisiana corporate income tax rate 5.5%

Franchise tax. Corporations are also subject to a franchise tax of \$2.75 for each \$1,000 or major fraction thereof in excess of \$300,000 of capital employed in Louisiana.

Corporation extension information. An automatic extension of six months to file a corporate tax return will be granted if a timely request for a federal extension was made and the box on Form CIFT-620 is marked. The extension is for time to file and is not an extension of time to pay. Make extension payments electronically at www.revenue.louisiana.gov/extensions.

S Corporation Filing Requirements

Louisiana law does not recognize Subchapter S corporation status and an S corporation is required to file in the same manner as a C corporation. However, in certain instances, all or part of the corporation income can be excluded from Louisiana tax. See *Corporation Filing Requirements*, above.

S corporation income tax rate. Louisiana taxes S corporations in the same manner as C corporations, with one exception. An S corporation may exclude all or part of its income derived from the activities of the corporation depending on the domicile of the shareholders. The portion of income that can be excluded is determined by the ratio of the number shares owned by resident individuals to the total number of shares of capital stock. An S corporation that elects the pass-through entity tax is not eligible for the exclusion.

S corporations are not exempt from the franchise tax. See *Corporation income tax rate*, above.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

All partnerships doing business in Louisiana or deriving any income from sources therein must file a partnership return.

Exception: A partnership that receives an acceptance of the pass-through entity tax election files Form CIFT-620 and is not required to file Form IT-565. See *Corporation Filing Requirements*, page 34-13.

Partnership/LLC income tax return due date. Form IT-565, *Louisiana Partnership Return of Income*, is due by the 15th day of the fourth month following the close of the partnership's tax year.

Partnership/LLC extension information. An automatic extension of six months to file a partnership tax return will be granted. The extension is for time to file and is not an extension of time to pay. Make extension payments electronically at www.revenue.louisiana.gov/extensions.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

Louisiana's sales tax rate is 5%. General sales and use tax is levied on the following transactions.

- The sale of tangible personal property in Louisiana.
- The use, consumption, distribution, or storage for use or consumption in Louisiana of any tangible personal property.
- The lease or rental within Louisiana of any item or article of tangible personal property.
- The sales of certain services as defined in Revised Statute 47:301(14).

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Louisiana Department of Revenue administers the sales and use tax.

Website: www.revenue.louisiana.gov/SalesTax

Unemployment Insurance

Website: www.laworks.net

Maine

www.maine.gov/revenue

Maine Revenue Services

Taxpayer information and assistance 207-624-9670
Tax Practitioner Hotline 207-626-8458

C Corporation Filing Requirements

Every entity (including exempt organizations) must file a Maine corporation income tax return if it meets the following criteria.

- The entity is required to file a federal income tax return, and
- The entity realizes Maine net income. A corporation is subject to tax if the business has nexus with Maine.

Exception: A foreign corporation that does business in Maine or owns or uses property in Maine is not subject to Maine income tax if its only activities in Maine are exempt under U.S. P.L. 86-272 (15 U.S.C. §§ 381–384).

Corporation income tax return due date. Form 1120ME, *Maine Corporate Income Tax Return*, is due by the 15th day of the fourth month following the close of the corporation's tax year.

Corporation income tax rate. If taxable income is:

| | | | |
|------------------------|---------|-----------------|-------|
| \$ 0 to 350,000 | × 3.50% | minus \$ 0.00 | = Tax |
| 350,001 to 1,050,000 | × 7.93% | minus 15,505.00 | = Tax |
| 1,050,001 to 3,500,000 | × 8.33% | minus 19,705.00 | = Tax |
| 3,500,001 and over | × 8.93% | minus 40,705.00 | = Tax |

Corporation extension information. Maine allows an automatic 7-month extension without written request. If tax is due, include Form 1120EXT-ME, *Maine Extension Tax Payment Voucher for Corporations*, with the payment.

S Corporation/Partnership/LLC Filing Requirements

Partnerships and S corporations are not required to file annual information returns. Pass-through entities with nonresident members must:

- File Form 941P-ME, *Pass-Through Entity Return of Maine Income Tax Withheld from Members*, and
- Withhold from the quarterly earnings for any member who is a nonresident of Maine.

Note: S corporations that incur federal taxable income (such as certain capital gains and built-in gains) at the corporate level are required to file Form 1120ME and report only the income that is taxed at the corporate level for federal purposes.

Sales and Use Tax

A tax is imposed at the rate of 5.5% of the sale price on retail sales of tangible personal property, prepaid calling arrangements, transmission and distribution of electricity, and to the rental or lease for more than one year of an automobile. The rate is 8% of the sale price on prepared food and alcoholic drinks sold in establishments that are licensed for on-premises consumption of liquor and certain rentals of living quarters. The rate is 10% on short-term rentals of automobiles. A 6% service provider tax is imposed on certain services provided in Maine.

Purchases made outside the state for use in Maine are subject to a use tax at the rate of 5.5% when the retailer has not charged the tax.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. Maine Revenue Services administers the Maine sales, use, and service provider tax.

Website: www.maine.gov/revenue/taxes/sales-use-service-provider-tax

Unemployment Insurance

Website: www.maine.gov/unemployment

Maryland

www.marylandcomptroller.gov

Comptroller of Maryland

Taxpayer information and assistance 410-260-7980
Tax Practitioner Hotline 410-260-7424

C Corporation Filing Requirements

Every Maryland corporation must file an income tax return even if it has no taxable income or if the corporation is inactive. Every other corporation that is subject to Maryland income tax law and has income or losses attributable to sources within Maryland must also file a Maryland corporation income tax return.

Corporations operating in Maryland and in one or more other states are subject to Maryland income tax if their Maryland activity exceeds the provisions for federal protection from state taxation.

Corporation income tax return due date. Form 500, *Corporation Income Tax Return*, is due by the 15th day of the fourth month following the close of the corporation's tax year.

Corporation income tax rate.

Maryland corporate income tax rate 8.25%

Corporation extension information. File Form 500E, *Application for Extension to File Corporation Income Tax Return*, to request an extension of up to seven months.

S Corporation/Partnership/LLC Filing Requirements

Every Maryland pass-through entity (PTE) must file a return, even if it has no income or the entity is inactive. A return must also be filed by any PTE that has credits in Maryland and a PTE that is a member of a PTE required to file in Maryland. The term "pass-through entity" includes partnerships, S corporations, limited liability companies (LLCs), and business trusts. Maryland will follow the IRS rules for a single-member LLC that is disregarded as a separate entity and the income (loss) will be included on the member(s) annual Maryland returns.

S corporations subject to federal corporation income tax, such as excess net passive income or built-in gains, are also subject to Maryland corporation income tax and must file a corporate income tax return (Form 500) in addition to a PTE return (Forms 510 or 511). See *C Corporation Filing Requirements*, page 34-14.

S corporation/partnership/LLC income tax return due date. The following forms are due by the 15th day of the fourth month following the close of the entity's tax year.

- Electing PTEs file Form 511, *Pass-Through Entity Election Income Tax Return*.
- Every other PTE that is subject to Maryland income tax law must file Form 510, *Pass-Through Entity Income Tax Return*.

S corporation/partnership/LLC extension information. Pass-through entities file Form 510/511E, *Application for Extension to File Pass-Through Entity Income Tax Return*, to request an extension. Maryland allows an extension of up to seven months for S corporations and up to six months for other pass-through entities.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

The Maryland sales tax rate is 6%. Most sales of food by substantial grocery or market businesses are not subject to tax. Other exemptions include medicine, energy for residential use, manufacturing machinery and equipment, and certain agricultural equipment and supplies.

An 11.5% tax is imposed on short-term passenger car and recreational vehicle rentals. Certain short-term truck rentals are subject to an 8% tax. The 6% tax rate is applied to a portion of the sale of new mobile homes and modular buildings, as well as a portion of the gross receipts from vending machine sales. The 9% tax rate is applied to sales of alcoholic beverages.

Use tax is due on the purchase of taxable tangible goods from outside of Maryland if the merchandise is used in Maryland. The use tax is 6% (9% for alcoholic beverages).

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Comptroller of Maryland administers the sales and use tax.

Website: www.marylandcomptroller.gov

Unemployment Insurance

Website: www.dllr.state.md.us

Personal Property Tax

Local governments in Maryland impose and collect a tax on business-owned personal property. The Department of Assessments and Taxation is responsible for the assessment of personal property throughout Maryland.

Website: www.dat.maryland.gov

Massachusetts

www.mass.gov/dor

Massachusetts Department of Revenue

Taxpayer information and assistance..... 617-887-6367

C Corporation Filing Requirements

A Massachusetts corporate excise tax return must be filed if any of the following conditions are met.

- The corporation actually does business within Massachusetts,
- The corporation exercises its charter within Massachusetts,
- The corporation owns or uses any part of its capital, plant, or other property in Massachusetts,
- The corporation owns and/or rents real or tangible personal property as a lessor in Massachusetts even without having a usual place of business in Massachusetts, or
- The corporation has no other contacts with the state but has more than \$500,000 in Massachusetts sales.

Corporations which must file a corporate excise tax return include any corporation which:

- Is organized under, or subject to, Chapters 156, 156A, 156B, or 180 of Massachusetts General Laws (M.G.L.), or
- Has privileges, powers, rights, or immunities not possessed by individuals or partnerships.

Corporations organized under the provision of M.G.L. Ch. 157, sec. 10 are not required to file a corporate excise tax return.

Corporation income tax return due date. Form 355, *Business/Manufacturing Corporation Excise Return*, is due by the 15th day of the fourth month following the close of the corporation's tax year.

Combined filers must file Form 355U, *Excise for Taxpayers Subject to Combined Reporting*. Corporations engaged exclusively in buying, selling, dealing in or holding securities on their own behalf and not as brokers must file Form 355SC, *Security Corporation Excise Return*. Certain small domestic corporations may be eligible to file Form 355SBC, *Small Business Corporation Excise Return*.

Corporation income tax rate. The Massachusetts corporate excise is calculated by adding two different measures of tax: a net income measure, and either a property measure or a net worth measure, depending on whether the corporation is a tangible or an intangible property corporation.

- The net income measure is calculated at a rate of 8% of the corporation's taxable net income apportioned to Massachusetts.
- The property/net worth measure is imposed at a rate of \$2.60 per \$1,000 of either a corporation's taxable Massachusetts tangible property or its taxable net worth.

A corporation's total excise is the combination of the property/net worth and net income measures, or the minimum corporate excise, whichever is greater. The minimum corporate excise is \$456.

Corporation extension information. Massachusetts allows automatic extensions for all corporate excise taxpayers without written request if the corporation has paid the greater of \$456 or 50% of the total amount of tax ultimately due by the original due date for filing the return. If the minimum amount is not paid, the extension is null and void. Electronically file Form 355-7004, *Massachusetts Corporate Extension Payment Voucher*, to make an extension payment.

An extension of: Will be granted to:

Seven months..... Corporate excise taxpayers filing combined reports.

Six months..... Other corporate excise taxpayers.

Eight months..... Taxpayers filing unrelated business income tax returns.

S Corporation Filing Requirements

Entities that are S corporations for federal purposes are S corporations for Massachusetts purposes. A Massachusetts S corporation excise tax return must be filed if any of the following conditions are met.

- The corporation actually does business within Massachusetts,
- The corporation exercises its charter within Massachusetts,
- The corporation owns or uses any part of its capital, plant, or other property in Massachusetts, or
- The corporation owns and/or rents real or tangible personal property as a lessor in Massachusetts even without having a usual place of business in Massachusetts.

S corporation income tax return due date. S corporations must file Form 355S, *S Corporation Excise Return*, by the 15th day of the third month following the close of the corporation's tax year.

S corporation income tax rate. S corporations are liable for either a property measure or a net worth measure, depending on whether the S corporation is a tangible or an intangible property corporation. The property/net worth measure is imposed at a rate of \$2.60 per \$1,000 of either a corporation's taxable Massachusetts tangible property or its taxable net worth.

S corporations are taxed at 8% on certain capital gain and passive investment income that is taxable at the federal level.

S corporations with total receipts of \$6 million or more are liable for the income measure of the corporate excise at the following rates.

- 2% on net income subject to tax if total receipts are \$6 million or more, but less than \$9 million, or
- 3% on net income subject to tax if total receipts are \$9 million or more.

The minimum corporate excise is \$456.

S corporation extension information. S corporations follow the same rules as C corporations. See *Corporation extension information*, page 34-15.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

Partnerships must file a Massachusetts partnership return if the partnership:

- Has a usual place of business in Massachusetts,
- Receives federal gross income of more than \$100 during the taxable year that is subject to Massachusetts taxation jurisdiction under the U.S. Constitution, or
- Is an out-of-state partnership that elects to pay the PTE excise, even if it is not otherwise required to file a return.

LLCs and LLPs are treated in the same manner as they are treated for federal income tax purposes.

Partnership/LLC income tax return due date. Partnerships must file Form 3, *Partnership Return of Income*, by the 15th day of the third month following the close of the partnership's tax year.

Partnership/LLC extension information. Massachusetts allows an automatic 6-month extension without written request as long as 80% of the tax ultimately due has been paid.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

Massachusetts sales tax is 6.25% of the sales price or rental charge of tangible personal property or certain telecommunications services sold or rented in Massachusetts. The buyer pays the sales tax to the vendor at the time of purchase. The vendor then remits the tax to Massachusetts.

Massachusetts use tax is 6.25% of the sales price or rental charge on tangible personal property (including mail order items or items purchased online) or certain telecommunications services on which no sales tax, or a sales tax rate less than the 6.25% Massachusetts rate, was paid and which is to be used, stored or consumed in Massachusetts. The use tax is generally paid directly to Massachusetts by the purchaser.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Massachusetts Department of Revenue administers the sales and use tax.

Website: www.mass.gov/guides/sales-and-use-tax

Unemployment Insurance

Website: www.mass.gov/orgs/department-of-unemployment-assistance

Annual Registration

All corporations registered in Massachusetts are required to file an annual report form with the Secretary of State.

Website: www.sec.state.ma.us/cor/coridx.htm

Michigan

www.michigan.gov/taxes

Michigan Department of Treasury

Taxpayer information and assistance..... 517-636-6925

Michigan Business Tax Filing Requirements

The Michigan Corporate Income Tax (CIT) replaced the Michigan Business Tax (MBT) for most taxpayers.

Certain MBT taxpayers with certificated or awarded credits may elect to continue using those credits. Such taxpayers may elect to continue filing and paying under the MBT until the expiration of the previously-awarded certificated credits.

Corporate Income Tax Filing Requirements

Under the Corporate Income Tax (CIT), taxpayer means a C corporation, insurance company, financial institution, or a unitary business group liable for tax, interest, or penalty. All taxpayers, other than financial institutions and insurance companies, with apportioned or allocated gross receipts

equal to \$350,000 or more and whose CIT liability is greater than \$100 must file Form 4891, *Michigan Corporate Income Tax Annual Return*.

Note: Insurance companies and financial institutions will calculate tax liability using specialized tax bases and rules and do not file Form 4891.

Corporate income tax due date. Form 4891, *Michigan Corporate Income Tax Annual Return*, is due by the last day of the fourth month after the end of the corporation's tax year.

Corporate income tax rate. The CIT imposes a 6% corporate income tax on C corporations and taxpayers taxed as corporations federally. The CIT has the small business alternative credit which offers an alternate tax rate of 1.8% of adjusted business income.

Corporate extension information. File Form 4, *Application for Extension of Time to File Michigan Tax Returns*, to request an extension of eight months. Any tax liability must be paid by the original due date of the return.

S Corporation/Partnership/LLC Filing Requirements

A flow-through entity (FTE) is an entity that, for the tax year, is an S corporation, a general partnership, a limited partnership, a limited liability partnership, or a limited liability company that is not taxed as a C corporation for federal income tax purposes for the tax year. An FTE does not include a disregarded entity for federal income tax purposes.

FTEs are not required to file their own Michigan returns unless they have elected to pay tax at the entity level. Electing FTEs must file an annual return electronically by the last day of the third month after the end of the tax year.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

Individuals or businesses that sell tangible personal property to the final consumer are subject to a 6% sales tax on their taxable retail sales. Michigan does not allow city or local units to impose sales or use taxes.

The use tax is a companion tax to the sales tax. Use tax of 6% must be paid on the total price (including shipping and handling charges) of all taxable items brought into Michigan or purchases by mail from out-of-state retailers. Credit is given for tax paid to another state. Use tax is also applied to certain services such as telecommunications and hotel/motel accommodations.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Michigan Department of Treasury administers the sales and use tax.

Website: www.michigan.gov/taxes/business-taxes/sales-use-tax

Unemployment Insurance

Website: www.michigan.gov/uia

Personal Property Tax

Michigan provides for the assessment of all real and tangible personal property not exempted by law. Tangible personal property is defined as tangible property that is not real estate.

Website: www.michigan.gov/taxes/property

Local Tax

Many Michigan municipalities require a separate municipality tax return.

Minnesota

www.revenue.state.mn.us

Minnesota Department of Revenue

Taxpayer information and assistance..... 651-556-3075

C Corporation Filing Requirements

Corporations must file a Minnesota tax return if they transact business or own property in Minnesota, regardless of their state of incorporation.

Corporation income tax return due date. Form M4, *Corporation Franchise Tax Return*, is due by the due date for filing the corporation's federal income tax return.

Corporation income tax rate.

Minnesota corporate income tax rate..... 9.8%

Minimum fee. Corporations are subject to the following minimum fees based on the sum of their Minnesota-source property, payroll, and sales or receipts.

| | |
|------------------------------------|----------|
| Less than \$1,250,000 | \$ 0 |
| \$1,250,000 to \$2,509,999 | \$ 260 |
| \$2,510,000 to \$12,539,999 | \$ 750 |
| \$12,540,000 to \$25,069,999 | \$ 2,510 |
| \$25,070,000 to \$50,139,999 | \$ 5,020 |
| \$50,140,000 or more | \$12,540 |

Corporation extension information. Minnesota allows an automatic 7-month extension without written request. If the IRS grants an extension of time to file the federal return that is longer than the Minnesota automatic 7-month extension, the state filing due date is extended to the federal due date. If tax is due, go to www.revenue.state.mn.us and click on "Make a Payment." Payment can be made electronically or by creating a voucher to pay by check.

S Corporation Filing Requirements

Corporations doing business in Minnesota that have elected to be taxed as S corporations under IRC section 1362 must file a Minnesota S corporation tax return.

S corporation income tax return due date. Form M8, *S Corporation Return*, is due by the due date for filing the corporation's federal income tax return.

S corporation income tax rate. The tax rate for built-in gains and excess net passive income is 9.8%

S corporations are subject to the same minimum fees as corporations based on the sum of their Minnesota-source property, payroll, and sales or receipts. See *Minimum fee*, above.

S corporation extension information. Minnesota allows an automatic 6-month extension without written request. If the IRS grants an extension of time to file the federal return beyond Minnesota's automatic 6-month extension, the federal extended filing due date also applies to the Minnesota return. If tax is due, payment can be made in the same manner as with a return for a corporation. See *Corporation extension information*, above.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

All entities required to file a federal partnership return that have Minnesota gross income must file a Minnesota partnership return. A limited liability company that is considered to be a partnership for federal income tax purposes is considered a partnership for Minnesota purposes, and the members are considered to be partners.

Partnership/LLC income tax return due date. Form M3, *Partnership Return*, is due by the due date for filing the partnership's federal income tax return.

Partnership/LLC income tax rate. The entire share of a partnership entity's income is taxed to the partner/member (whether or not it is actually distributed) and reported on their tax return. However, the minimum fee is paid by the partnership.

Partnerships are subject to the same minimum fees as corporations based on the sum of their Minnesota-source property, payroll, and sales or receipts. See *Minimum fee*, above.

Partnership/LLC extension information. Minnesota allows an automatic 6-month extension without written request. If the IRS grants an extension of time to file the federal return beyond Minnesota's automatic 6-month extension, the federal extended filing due date also applies to the Minnesota return. If tax is due, payment can be made in the same manner as with a return for a corporation. See *Corporation extension information*, above.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

Minnesota has a 6.875% general sales tax rate. Most retail sales are taxable. A "retail sale" means any sale, lease, or rental for any purpose other than resale, sublease, or subrent. Sales, leases, and rentals are taxable regardless of quantity or whether the item is new or used, unless an exemption applies. Some services are also taxable.

Taxable items purchased for the taxpayer's own use without paying sales tax are subject to a use tax. The tax rate is the same for both sales and use tax and the same exemptions apply.

Local sales taxes apply to retail sales and taxable services provided within a city or county. The tax applies to the same items that are taxed by the Minnesota sales and use tax law.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Minnesota Department of Revenue administers the sales and use tax.

Website: www.revenue.state.mn.us/sales-and-use-tax

Unemployment Insurance

Website: www.uimn.org

Annual Registration

Domestic corporations must renew annually with the Minnesota Secretary of State.

Website: www.sos.mn.gov

Mississippi

www.dor.ms.gov

Mississippi Department of Revenue

Taxpayer information and assistance..... 601-923-7099

C Corporation Filing Requirements

Every corporation domesticated or qualified to do business in Mississippi must file a return even if the corporation is inactive or not otherwise engaged in business. Foreign corporations engaged in business in Mississippi or having sources of income in Mississippi, who have not qualified to transact business in Mississippi through the offices of the Secretary of State, are subject to the measure of the income and franchise tax levy.

Corporation income tax return due date. Form 83-105, *Mississippi Corporate Income and Franchise Tax Return*, is due by the 15th day of the fourth month following the close of the corporation's tax year.

Corporation franchise tax rate. Franchise tax is \$0.75 per \$1,000 (in excess of \$100,000) of the value of the capital employed or the assessed property values in Mississippi, whichever is greater. Minimum franchise tax is \$25.

Corporation income tax rate. If taxable income is:

| | | | | |
|-----------------|--------|-------|-----------|-------|
| \$ 0 to 5,000 | No tax | | | |
| 5,001 to 10,000 | × 4% | minus | \$ 200.00 | = Tax |
| 10,001 and over | × 5% | minus | 300.00 | = Tax |

Corporation extension information. If no tax is due, Mississippi recognizes a valid federal extension. File Form 83-180, *Application for Automatic Extension*, to request an automatic 6-month extension and make a payment.

S Corporation Filing Requirements

Every S corporation, domesticated or qualified to do business in Mississippi, and every S corporation engaged in business in Mississippi or having sources of income from Mississippi must file a return even if the corporation is inactive or not otherwise engaged in business. Such corporation will remain subject to the filing requirements until the corporation is officially dissolved or withdrawn through the Office of the Mississippi Secretary of State.

S corporation income tax return due date. Form 84-105, *Mississippi Pass-Through Entity Tax Return*, is due by the 15th day of the third month following the close of the corporation's tax year.

S corporation income tax rate. S corporations are subject to the franchise tax at the same rate as C corporations. See *Corporation franchise tax rate*, above.

S corporation extension information. S corporations follow the same rules as C corporations. See *Corporation extension information*, page 34-17.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

Every partnership, LLC, or LLP, domestic or foreign, deriving income from property owned within the State of Mississippi, or business, trade, profession, or occupation, carried on within Mississippi must file a return.

A domestic or foreign limited liability company is classified as an entity for purposes of Mississippi income tax laws in the same manner as the entity is classified for federal income tax purposes.

Partnership/LLC income tax return due date. Form 84-105, *Mississippi Pass-Through Entity Tax Return*, is due by the 15th day of the third month following the close of the partnership's tax year.

Partnership extension information. Partnerships follow the same rules as C corporations. See *Corporation extension information*, page 34-17.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

All sales of tangible personal property are subject to the regular retail sales tax rate of 7% unless the law exempts the item or provides a reduced rate of tax. The tax is based on gross proceeds of sales or gross income, depending on the type of business.

Use tax applies to personal property acquired in any manner for use, storage, or consumption within Mississippi on which sales or use tax has not been paid to another state at a rate equal to or greater than the applicable Mississippi rate. Use tax rates are the same as those applicable to sales tax.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Mississippi Department of Revenue administers the sales and use tax.

Website: www.dor.ms.gov/business/sales-and-use-tax

Unemployment Insurance

Website: www.mdes.ms.gov

Missouri

www.dor.mo.gov/business

Missouri Department of Revenue

Taxpayer information and assistance..... 573-751-4541

C Corporation Filing Requirements

Every corporation is required to file an income tax return in Missouri if it is required to file a federal income tax return and has gross income from sources within Missouri of \$100 or more.

Corporation income tax return due date. Form MO-1120, *Missouri Corporation Income Tax Return*, is due by the 15th day of the fourth month following the end of the tax year.

Corporation income tax rate.

Missouri corporate income tax rate..... 4%

Corporation extension information.

- Missouri allows an automatic extension to any corporation that has a valid federal extension for the same period as the federal extension. Enclose a copy of the federal extension when the final return is filed.
- File Form MO-7004, *Application for Extension of Time to File*, if tax is due, the corporation does not file a federal extension, or the corporation requires a Missouri extension beyond the federal automatic extension period.

S Corporation Filing Requirements

Every S corporation must file a Missouri S corporation income tax return if the S corporation files a federal S corporation income tax return, and the S corporation has a shareholder who is a Missouri resident, or any income derived from Missouri sources.

S corporation income tax return due date. Form MO-1120S, *Missouri S Corporation Income Tax Return*, is due by the 15th day of the fourth month following the end of the tax year.

S corporation extension information. Missouri allows an automatic 6-month extension to an S corporation that has a valid federal extension. Enclose a copy of the federal extension when the return is filed.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

Partnerships must file a Missouri partnership return if a federal partnership return is required to be filed and the partnership has a partner who is a Missouri resident, or any income derived from Missouri sources.

Partnership/LLC income tax return due date. Form MO-1065, *Partnership Return of Income*, is due by the 15th day of the fourth month following the close of the partnership's tax year.

Partnership extension information. Missouri allows an automatic 6-month extension to a partnership that has a valid federal extension. Enclose a copy of the federal extension when the final return is filed.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

The 4.225% Missouri sales tax is imposed on the purchase price of tangible personal property or taxable service sold at retail. Cities and counties may impose a local sales tax. Special taxing districts (such as fire districts) may also impose additional sales taxes.

The Missouri use tax is also 4.225%, and is imposed on the use, storage, or consumption of tangible personal property in Missouri unless the purchase was from a Missouri retailer and subject to Missouri sales tax. The amount of use tax paid on a transaction depends on the combined local use tax rate in effect at the Missouri location to which the tangible personal property is shipped.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Missouri Department of Revenue administers the sales and use tax.

Website: www.dor.mo.gov/business/sales

Unemployment Insurance

Website: www.labor.mo.gov/des

Local Tax

Some Missouri municipalities require a separate municipality tax return.

Montana

<https://revenue.mt.gov>

Montana Department of Revenue

Taxpayer information and assistance..... 406-444-6900

C Corporation Filing Requirements

Every corporation engaged in business in Montana must file an annual Montana Corporation License Tax Return unless expressly exempted. The term "corporation" includes associations, joint stock companies, LLCs that are taxed as C corporations for federal income tax purposes, common law trusts, and business trusts which do business in an organized capacity, whether or not under and pursuant to state laws, agreements, or declarations of trust.

Corporations are required to e-file if gross receipts are above \$750,000. A hardship waiver request is made by filing Form CWR, *Corporation E-File Waiver Request*.

Corporation income tax return due date. Form CIT, *Montana Corporate Income Tax Return*, is due by the 15th day of the fifth month following the close of the corporation's tax year.

Corporation income tax rate.

Montana corporate income tax rate..... 6.75%

Water's edge election tax rate..... 7.00%

Nebraska

www.revenue.nebraska.gov

Nebraska Department of Revenue

Taxpayer information and assistance..... 402-471-5729

The minimum corporate tax is \$50. For combined returns, the tax applies to each corporation with Montana activity.

A corporation may elect the alternative gross sales tax rate of 0.5% if the corporation has only sales activity in Montana, does not own or rent real estate or tangible personal property, and has annual gross sales in Montana of \$100,000 or less.

Corporation extension information. Montana allows an automatic 6-month extension without written request. If tax is due, include Form CT, *Montana Corporate Income Tax Payment Voucher*, with the payment.

S corporation/Partnership/LLC Filing Requirements

An S corporation or partnership is required to file an annual return if it has any amount of Montana source income, filed a return in a prior year and did not mark that return as final, or is registered to do business with the Montana Secretary of State.

If an S corporation or partnership filed a return for a prior year or is registered with the Montana Secretary of State but did not engage in any activity in Montana, the entity must file Form INA-CT, *Affidavit of Inactivity for Corporations, Partnerships, and Disregarded Entities*.

S corporation/partnership/LLC income tax return due date. Form PTE, *Montana Pass-Through Entity Tax Return*, is due by the 15th day of the third month following the end of the entity's tax year.

S corporation/partnership/LLC extension information. Montana allows an automatic 6-month extension without written request. S corporations use Form-SB, *Montana Small Business Corporation Tax Payment Voucher*, to make a payment. Partnerships use Form-PR, *Montana Partnership Tax Payment Voucher*, to make a payment.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Single-Member LLC Filing Requirements

Disregarded entity owned by individual. Single-member LLCs (SMLLCs) owned by nonresident individuals, estates, or trusts are required to file Form DER-1, *Montana Disregarded Entity Information Return*, each year the entity is engaged in business in Montana or has Montana-source income.

Note: A return is not required if the sole member of the SMLLC is an individual, estate, or trust who has been a full-time Montana resident during the applicable reporting period.

Disregarded entity owned by partnership or S corporation. SMLLCs owned by partnerships or S corporations must report their Montana source income on their owner's Form PTE, Schedule VII and Schedule DE.

Disregarded entity owned by C corporation. SMLLCs owned by C corporations must report their Montana source income on their owner's Form CIT, Schedule M.

Single-member LLC return due date. Form DER-1, *Montana Disregarded Entity Information Return*, is due by the 15th day of the fourth month following the close of the individual's tax year.

Single-member LLC extension information. The disregarded entity can obtain an automatic extension of time to file its information return if its owner has a valid extension of time. The extended due date is the same as the owner's federal extended due date. The disregarded entity is allowed an automatic extension to file its information return of up to six months if the owner is not required to file a federal information return.

Sales and Use Tax

Montana does not impose a general sales or use tax.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Unemployment Insurance

Website: <https://uid.dli.mt.gov>

Annual Report

Each domestic and foreign corporation authorized to transact business in Montana must file an annual report with the Secretary of State.

Website: www.sosmt.gov/business

C Corporation Filing Requirements

Every corporation engaged in business in Nebraska, or having sources of income from Nebraska and subject to federal corporate income tax, must file a Nebraska corporation income tax return.

Corporation income tax return due date. Form 1120N, *Nebraska Corporation Income Tax Return*, is due by the due date for filing the corporation's federal income tax return.

Corporation income tax rate.

Nebraska corporate income tax rate..... 5.2%

Corporation extension information.

- To receive an automatic 6-month extension, file Form 7004 with the IRS and attach a copy to the Nebraska return.
- To request an automatic 7-month extension, file Form 7004N, *Application for Automatic Extension of Time to File Nebraska Corporation, Fiduciary, or Partnership Return*. Use this method to make a payment or if a federal extension is not filed. Also use Form 7004N when a federal extension has been granted and additional time is needed to file the Nebraska return.

S Corporation Filing Requirements

Every S corporation as defined by IRC section 1361 that derives income from Nebraska sources or distributes Nebraska incentive credits to shareholders must file a Nebraska S corporation return.

Nebraska does not provide for the filing of composite income tax returns submitted on behalf of the nonresident individual shareholders. S corporations with nonresident shareholders are required to either obtain Form 12N, *Nebraska Nonresident Income Tax Agreement*, from the nonresident individual or to withhold and remit Nebraska income tax on the nonresident's share of Nebraska income.

S corporation income tax return due date. Form 1120-SN, *Nebraska S Corporation Income Tax Return*, is due by the 15th day of the third month following the end of the corporation's tax year.

S corporation extension information. S corporations follow the same rules as C corporations. See *Corporation extension information*, above.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

Every partnership that derives income from Nebraska sources or distributes Nebraska incentive credits to partners must file a Nebraska partnership return. A limited liability company which has elected to be treated as a partnership for federal income tax purposes, and which derives income from Nebraska sources, must also file a Nebraska partnership return.

Nebraska does not provide for the filing of composite income tax returns submitted on behalf of the nonresident individual partners. Partnerships with nonresident partners are required to either obtain Form 12N, *Nebraska Nonresident Income Tax Agreement*, from the nonresident individual or to withhold and remit Nebraska income tax on the nonresident's share of Nebraska income.

Partnership/LLC income tax return due date. Form 1065N, *Nebraska Return of Partnership Income*, is due by the 15th day of the third month following the close of the partnership's tax year.

Partnership/LLC extension information.

- To receive an automatic 6-month extension, file Form 7004 with the IRS and attach a copy to the Nebraska return.
- To request an automatic 6-month extension, file Form 7004N, *Application for Automatic Extension of Time to File Nebraska Corporation, Fiduciary, or Partnership Return*. Use this method to make a payment or if a federal extension is not filed.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

The Nebraska state sales and use tax rate is 5.5%. In addition, local sales and use taxes can be set at 0.5%, 1%, 1.5%, 1.75%, or 2%.

Consumer's use tax is a complement to the Nebraska sales tax. It is imposed on the storage, use, distribution, or consumption of tangible personal property and certain services purchased by the end user when Nebraska sales tax has not been paid.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Nebraska Department of Revenue administers the sales and use tax.

Website: www.revenue.nebraska.gov/businesses/sales-and-use-tax

Unemployment Insurance

Website: <https://dol.nebraska.gov/uibenefits>

Nevada

<https://tax.nv.gov>

Nevada Department of Taxation

Taxpayer information and assistance..... 866-962-3707

State Business License

Nevada requires that every person or entity doing business in the state obtain a business license annually. A business that meets the criteria may not do business in the state of Nevada without the State Business License. Certain businesses may be exempt from the state business license requirement.

For the purposes of the State Business License, "business" means any person, except a natural person that performs a service or engages in a trade for profit, any natural person who performs a service or engages in a trade for profit and is required to file with the IRS a Schedule C (Form 1040) *Profit or Loss from Business*, a Schedule E (Form 1040) *Supplemental Income and Loss*, or a Schedule F (Form 1040) *Profit or Loss From Farming*, or any entity formed pursuant to Title 7 of the Nevada Revised Statutes, including, without limitation, those entities required to file with the Secretary of State.

Note: Nevada does not impose a business income tax.

Website: www.nvsos.gov/sos

Commerce Tax

Commerce tax is a tax on the privilege of engaging in business in Nevada. Each business entity, including sole proprietorships, engaged in business in Nevada is required to file the commerce tax return if the gross revenue from the business exceeds \$4,000,000 for the taxable year.

Sales and Use Tax

In Nevada, sales/use tax is imposed on the sale, transfer, lease, rental, use, or other consumption of tangible personal property for consideration. Services do not fall under the definition of tangible personal property and are not subject to sales tax. The provider of the services has a use tax liability on the materials used/consumed in providing the service. Nearly all tangible personal property transferred for value is taxable. This includes property purchased for lease or rent. Most goods, wares, and merchandise are taxable in Nevada. Most food is exempt. The sales tax rate ranges from 6.85% to 8.375%, depending on the county.

Use tax is a tax imposed on tangible personal property used in Nevada on which sales tax has not been paid. Any sales tax legally collected in another state will be applied towards any applicable Nevada use tax.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Nevada Department of Taxation administers the sales and use tax.

Website: <https://tax.nv.gov>

Unemployment Insurance

Website: <https://nui.nv.gov>

New Hampshire

www.revenue.nh.gov

New Hampshire Department of Revenue

Taxpayer information and assistance..... 603-230-5920

Business Enterprise Tax

Every profit or nonprofit enterprise or organization engaged in or carrying on any business activity inside New Hampshire must file a business enterprise tax return. The filing threshold for the business enterprise tax is \$298,000 of gross business receipts or \$298,000 of the enterprise value tax base. The enterprise value tax base is the sum of all compensation paid or accrued, interest paid or accrued, and dividends paid by the business enterprise, after special adjustments and apportionment.

BT-Summary. All business organizations that are required to file a business profits tax return and/or a business enterprise tax return must file Form BT-Summary, *Business Tax Return Summary*. Failure to file a business tax summary will constitute an incomplete filing of the business tax returns.

Business enterprise tax rate.

New Hampshire business enterprise tax rate..... 0.55%
The business enterprise tax is assessed on the enterprise value tax base.

Business enterprise tax return due date. For proprietorships, corporations, combined groups, and fiduciaries, Form BET, *Business Enterprise Tax Return*, is due on the 15th day of the fourth month following the close of the taxable period. For partnerships, Form BET is due on the 15th day of the third month following the close of the taxable period.

Business enterprise extension information. New Hampshire allows an automatic 7-month extension of time to file the business enterprise tax and/or business profits tax return if 100% of the tax due is paid. If tax is due, include Form BT-EXT, *Payment Form and Application for 7-Month Extension of Time to File Business Tax Return*, with the payment.

Business Profits Tax

All business organizations, including corporations, fiduciaries, partnerships, proprietorships, combined groups, and homeowners' associations must file a business profits tax return provided they are carrying on business activity inside New Hampshire. The filing threshold for business profits tax is gross business income in excess of \$109,000 from business activity everywhere. For filing requirements for the business enterprise tax, see *Business Enterprise Tax*, above.

Any business organization required to file a business profits tax return is also required to file Form BT-Summary, *Business Tax Return Summary*. See *BT-Summary*, above.

Business profits tax rate.

New Hampshire business profits tax rate..... 7.5%
Business profits tax is assessed on income from conducting business activity within New Hampshire.

Corporations. Form NH-1120, *Corporate Business Profits Tax Return*, is due by the 15th day of the fourth month following the close of the corporation's tax year.

S corporations. New Hampshire treats S corporations as if they were C corporations. See *Corporations*, above.

All S corporations are required to complete Form DP-120, *Computation of S Corporation Gross Business Profits*.

S corporations which make actual distributions to New Hampshire shareholders are required to file Form DP-9, *Small Business Corporation ("S" Corp) Information Report*, separately from the return. Form DP-9 is due annually on May 1 after the end of the year.

Partnerships/LLCs. Form NH-1065, *Partnership Business Profits Tax Return*, is due by the 15th day of the third month following the close of the partnership's tax year.

Limited liability company. An LLC with more than one member files New Hampshire returns using the same entity type as used for the federal tax return.

Proprietorship/single-member LLC. Form NH-1040, *Business Profits Tax Return*, is used to report business profits tax if the member is an individual. Form NH-1040 is due by the 15th day of the fourth month following the close of the taxpayer's tax year.

Single-member LLC. For New Hampshire tax purposes, a single-member LLC is recognized as an entity separate from its member and must file New Hampshire taxable activities at the entity level. If the LLC has not been issued a federal EIN, Form DP-200, *Request for Department Identification Number (DIN)*, must be filed. A single-member LLC cannot file under its owner's SSN.

Business profits tax extension information. Extensions to file business profits tax returns follow the same rules as the business enterprise tax extensions. See *Business enterprise extension information*, page 34-20.

Sales and Use Tax

New Hampshire does not impose a general sales or use tax.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Unemployment Insurance

Website: www.nhes.nh.gov

New Jersey

www.state.nj.us/treasury/taxation

New Jersey Division of Taxation

Tax Practitioner Hotline 609-633-6905

C Corporation Filing Requirements

In general, every corporation existing under New Jersey laws must file a New Jersey corporation return.

Corporations that are “out of business” but have not dissolved or withdrawn their authority to do business in New Jersey are still obligated to file a return. A dissolution or withdrawal date must be established on or before the last day of the current taxable period in order to avoid having to file a return for the next taxable period.

Nexus. Corporations deriving receipts from sources in New Jersey will be deemed to have economic nexus if during the corporate tax year the receipts from New Jersey sources are more than \$100,000, or 200 or more separate transactions are delivered to customers in New Jersey. Corporations that do not meet either threshold and do not create nexus in any other way do not have nexus even if they have New Jersey receipts.

The attributes and activities of a qualified subchapter S subsidiary, disregarded entity, or unitary partnership are included as part of its parent corporation's attributes and activities when determining whether the corporation has nexus.

Corporation income tax return due date. Form CBT-100, *New Jersey Corporation Business Tax Return*, is due 30 days after the due date of the federal return.

Corporation income tax rate.

| <i>If Entire Net Income is:</i> | <i>Tax Rate on Entire Net Income or On Portion Allocable to New Jersey is:</i> |
|---------------------------------|--|
| \$ 0 to 50,000..... | 6.5% |
| 50,001 to 100,000..... | 7.5% |
| 100,001 and over..... | 9.0% |

Minimum Tax Rate based on New Jersey Gross Receipts:

| <i>New Jersey Gross Receipts:</i> | <i>Minimum Tax:</i> |
|-----------------------------------|---------------------|
| \$ 0 to 99,999..... | \$ 500 |
| 100,000 to 249,999..... | 750 |
| 250,000 to 499,999..... | 1,000 |
| 500,000 to 999,999..... | 1,500 |
| 1,000,000 and over..... | 2,000 |

Surtax. There is a 2.5% surtax in addition to the annual corporation franchise tax for corporations with New Jersey allocated taxable net income exceeding \$10,000,000. The surtax applies to all taxpayers with a corporation tax liability, but does not apply to public utilities or New Jersey S corporations.

Corporation extension information. Form CBT-200-T, *Corporation Business Tax Tentative Return and Application for Extension of Time to File*, must be filed electronically. Corporations will automatically receive a 6-month extension only if they have paid at least 90% of the tax liability.

S Corporation Filing Requirements

A corporation that has elected and qualified to be an S corporation pursuant to IRC section 1361 is required to file a New Jersey S corporation return. See *Nexus*, previous column.

S corporation income tax return due date. Form CBT-100S, *New Jersey Corporation Business Tax Return*, is due by the 15th day of the fourth month following the end of the corporation's tax year.

S corporation income tax rate. For all CBT-100S filers, there is no rate of tax on income not subject to federal corporate taxation. Income subject to federal corporate taxation is taxed at the corporate rate. See *Corporation income tax rate*, above. All returns are subject to at least the minimum tax.

Minimum Tax Rate based on New Jersey Gross Receipts:

| <i>New Jersey Gross Receipts:</i> | <i>Minimum Tax:</i> |
|-----------------------------------|---------------------|
| \$ 0 to 99,999..... | \$ 375.00 |
| 100,000 to 249,999..... | 562.50 |
| 250,000 to 499,999..... | 750.00 |
| 500,000 to 999,999..... | 1,125.00 |
| 1,000,000 and over..... | 1,500.00 |

S corporation extension information. S corporations follow the same rules as C corporations. See *Corporation extension information*, above.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

Every partnership that has income or loss derived from sources in New Jersey, or has a New Jersey resident partner, must file a New Jersey partnership return.

Limited liability companies and limited liability partnerships that elect to be treated as a partnership for federal tax purposes are treated as partnerships for New Jersey tax purposes.

Partnership/LLC income tax return due date. Form NJ-1065, *Partnership Return*, is due by the 15th day of the fourth month following the close of the partnership's tax year.

Filing fee. Any entity classified as a partnership for federal income tax purposes, other than an investment club, that has any income or loss derived from New Jersey sources and that has more than two owners is required to make a payment of a filing fee of \$150 for each owner of an interest in the entity up to a maximum of \$250,000.

Partnership/LLC extension information.

- New Jersey allows an automatic 5-month extension if a federal extension is obtained. A copy of the federal extension must be attached to the final return when filed.
- If a federal extension is not obtained, file federal Form 7004 with New Jersey to request a 5-month extension. If a filing fee or tax is due, include Form PART-200-T, *Partnership Application for Extension of Time to File NJ-1065*, with the payment.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

The New Jersey Sales and Use Tax Act imposes a tax of 6.625% upon the receipts from every retail sale of tangible personal property, digital property, and the sale of certain services, except as otherwise provided in the act.

A use tax liability may be incurred when taxable goods or services are purchased for use in New Jersey but sales tax was not collected, or was collected at a rate less than the New Jersey sales tax rate. In these instances, the purchaser is liable for payment of use tax at the New Jersey sales tax rate.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The New Jersey Division of Taxation administers the sales and use tax.

Website: www.nj.gov/treasury/taxation/businesses/salestax

Unemployment Insurance

Website: www.nj.gov/labor/myunemployment

Annual Report

All profit and non-profit corporations (domestic and foreign), as well as all limited partnerships, limited liability companies, and limited liability partnerships, must submit annual reports and associated processing fees each year following their dates of incorporation/registration.

Website: www.njportal.com/dor/annualreports

New Mexico

www.tax.newmexico.gov

New Mexico Taxation and Revenue Department

Taxpayer information and assistance..... 505-827-0825

C Corporation Filing Requirements

Every entity having income from activities or sources within New Mexico that is required to file a federal corporation income tax return or equivalent return must file a New Mexico Corporate Income and Franchise Tax Return. These include:

- All corporations organized under the laws of the state of New Mexico, whether they have New Mexico income or not,
- Out-of-state corporations that derive income from business transactions, property, or employment in New Mexico,
- Corporations exempt from federal income tax that have unrelated business income, and
- All other business entities that are required or elect to file a federal corporation income tax return, including partnerships and limited liability companies treated as corporations by the IRS.

Corporation income tax return due date. Form CIT-1, *New Mexico Corporate Income and Franchise Tax Return*, is due by the due date of the corporation's federal corporate income tax return.

Corporation income tax rate.

New Mexico corporate income tax rate..... 5.9%

A \$50 franchise tax must be paid by all corporations engaging in business in New Mexico and every domestic or foreign corporation having or exercising its corporate franchise in New Mexico, whether actively engaged in business or not, even if no income tax is due.

Corporation extension information.

- New Mexico accepts an extension of time granted by the IRS if a copy of the automatic or approved federal extension is attached to the final return when filed.
- File Form RPD-41096, *Extension of Time to File*, if a federal extension has not been received or additional time is needed beyond the federal extension date. The extension on an initial application is limited to 60 days. Use the same form to apply for an additional extension of time.
- Use Form CIT-EXT, *New Mexico Corporate Income and Franchise Tax Extension Payment Voucher*, to make a payment.

S Corporation Filing Requirements

Corporations and limited liability companies (LLCs) electing to be taxed as S corporations for federal income tax purposes must file a New Mexico S corporation return if the entity is registered to do business in New Mexico, transacts business in, into, or from New Mexico, or derives any income from property or employment within New Mexico.

S corporation income tax return due date. S corporations must file Form S-Corp, *New Mexico Sub-Chapter S Corporate Income and Franchise Tax Return*, by the due date of the corporation's federal corporate income tax return.

S corporation income tax rate. Franchise tax is \$50 per S corporation. S corporation income subject to tax at the federal level is also subject to New Mexico tax at New Mexico corporate tax rates. See *Corporation income tax rate*, previous column.

S corporation extension information.

- New Mexico accepts an extension of time granted by the IRS if a copy of the automatic or approved federal extension is attached to the final return when filed.
- File Form RPD-41096, *Extension of Time to File*, if a federal extension has not been received or additional time is needed beyond the federal extension date. The extension on an initial application is limited to 60 days. Use the same form to apply for an additional extension of time.
- If tax is due, include Form S-Corp-EXT, *New Mexico Sub-Chapter S Corporate Income and Franchise Tax Extension Payment Voucher*, with the payment.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

Pass-through entities doing business in New Mexico must file a New Mexico information return. This requirement includes entities registered to do business in New Mexico, transacting business in, into, or from New Mexico, or receiving any income from property or employment within New Mexico, and includes any partnership, joint venture, common trust fund, limited association, pool or working agreement, limited liability company, or any other combination of persons or interests required to file a federal partnership return.

Partnership/LLC income tax return due date. Partnerships must file Form PTE, *New Mexico Information Return for Pass-Through Entities*, by the 15th day of the third month following the end of the partnership's tax year.

Partnership/LLC extension information.

- New Mexico accepts an extension of time granted by the IRS if a copy of the automatic or approved federal extension is attached to the final return when filed.
- File Form RPD-41096, *Extension of Time to File*, if a federal extension has not been received or additional time is needed beyond the federal extension date. The extension on an initial application is limited to 60 days. Use the same form to apply for an additional extension of time.
- If tax is due, include Form PTE-EXT, *Pass-Through Entities Tax Extension Payment Voucher*, with the payment.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Gross Receipts Tax

Persons engaged in business in New Mexico must file and pay a gross receipts tax. The tax is imposed on the gross receipts of persons who sell property in New Mexico, perform services in New Mexico, lease or license property employed in New Mexico, grant a right to use a franchise employed in New Mexico, or sell research and development services performed outside New Mexico when the product of the service is initially used in New Mexico. The gross receipts tax rate varies throughout the state from 5.25% to 9.4375%, depending on the location of the business.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The New Mexico Taxation and Revenue Department administers the gross receipts tax.

Website: www.tax.newmexico.gov/businesses/gross-receipts

Unemployment Insurance

Website: www.dws.state.nm.us/en-us/unemployment

New York

www.tax.ny.gov

New York State Department of Taxation and Finance

Taxpayer information and assistance..... 518-485-6027

C Corporation Filing Requirements

A domestic corporation (incorporated in New York State) must file a franchise tax return for each year it is incorporated until it is formally dissolved with the Department of State. **Exception:** A domestic corporation that is no longer doing business, employing capital, or owning or leasing property in New York State is exempt from the fixed dollar minimum tax for years following its final tax year and is no longer required to file a franchise tax return provided it meets certain requirements.

A foreign corporation (incorporated outside of New York State) must file a franchise tax return during the period it is doing business, employing capital, owning or leasing property, or maintaining an office in New York State. In addition, a foreign corporation authorized to do business in New York State is also liable for payments of its annual maintenance fee, until such time as it surrenders to the Department of State its authority to do business, regardless of whether it is doing business, employing capital, owning or leasing property, or maintaining an office in the state.

Corporation income tax form/due date. Form CT-3, *General Business Corporation Franchise Tax Return*, is due within 3½ months following the close of the corporation's tax year.

Corporation franchise tax rates.

Tax Base: *Tax Rates:*

Business income base

| | |
|--|--------|
| Qualified New York manufacturers..... | 0.000% |
| Qualified emerging technology companies (QETCs)..... | 4.875% |
| General business taxpayers with a business income base of more than \$5,000,000..... | 7.250% |
| All other general business taxpayers..... | 6.500% |

Capital base

| | |
|--|---------|
| Qualified New York manufacturers, QETCs, cooperative housing corporations, and small business taxpayers..... | 0.0000% |
| All other general business taxpayers..... | 0.1875% |

Fixed dollar minimum tax

For a corporation with New York receipts of:

| | |
|-----------------------------------|---------|
| \$ 100,000 or less..... | \$ 25 |
| 100,001 to 250,000..... | 75 |
| 250,001 to 500,000..... | 175 |
| 500,001 to 1,000,000..... | 500 |
| 1,000,001 to 5,000,000..... | 1,500 |
| 5,000,001 to 25,000,000..... | 3,500 |
| 25,000,001 to 50,000,000..... | 5,000 |
| 50,000,001 to 100,000,000..... | 10,000 |
| 100,000,001 to 250,000,000..... | 20,000 |
| 250,000,001 to 500,000,000..... | 50,000 |
| 500,000,001 to 1,000,000,000..... | 100,000 |
| 1,000,000,001 or more..... | 200,000 |

Fixed dollar minimum tax for qualified New York manufacturers and QETCs

For a corporation with New York receipts of:

| | |
|------------------------------|-------|
| \$ 100,000 or less..... | \$ 19 |
| 100,001 to 250,000..... | 56 |
| 250,001 to 500,000..... | 131 |
| 500,001 to 1,000,000..... | 375 |
| 1,000,001 to 5,000,000..... | 1,125 |
| 5,000,001 to 25,000,000..... | 2,625 |
| 25,000,001 or more..... | 3,750 |

Fixed dollar minimum tax for non-captive REITs and non-captive RICs.

For a corporation with New York receipts of:

| | |
|-------------------------|-------|
| \$ 100,000 or less..... | \$ 25 |
| 100,001 to 250,000..... | 75 |
| 250,001 to 500,000..... | 175 |
| 500,001 or more..... | 500 |

Corporation extension information.

- Request a 6-month extension by filing Form CT-5, *Request for Six-Month Extension to File* (for franchise/business taxes, MTA surcharge, or both).
- Request up to two additional extensions by filing Form CT-5.1, *Request for Additional Extension of Time to File* (for franchise/business taxes, MTA surcharge, or both).

MTA Surcharge Filing Requirements

A taxpayer filing Form CT-3, *General Business Corporation Franchise Tax Return*, that does business, employs capital, owns or leases property, maintains an office, or derives receipts from activity in the Metropolitan Commuter Transportation District (MCTD) must also file an MTA surcharge return and pay a metropolitan transportation business tax. A corporation is considered to be deriving receipts in the MCTD if it has receipts within the MCTD of \$1,283,000 or more.

MTA surcharge return due date. Form CT-3-M, *General Business Corporation MTA Surcharge Return*, is due within 3½ months following the end of the corporation's reporting period.

MTA surcharge tax rate. The MTA surcharge tax rate is 30% of a corporation's apportioned franchise tax.

MTA surcharge return extension information. MTA surcharge returns follow the same rules as C corporations. See *Corporation extension information*, above.

S Corporation Filing Requirements

Corporations that have elected to be treated as S corporations for federal income tax purposes may make the same election for New York State by filing Form CT-6, *Election by a Federal S Corporation to be Treated as a New York S Corporation*. Once a corporation has approval from the New York State Tax Department to be treated as a New York S corporation, it is required to file Form CT-3-S, *New York S Corporation Franchise Tax Return*, instead of Form CT-3, *General Business Corporation Franchise Tax Return*.

S corporations are subject to the same filing requirements as C corporations. See *C Corporation Filing Requirements*, previous column.

Note: Federal approval as an S corporation is not automatic approval for New York State.

S corporation franchise tax return due date. Form CT-3-S, *New York S Corporation Franchise Tax Return*, is due within 2½ months following the close of the corporation's tax year.

S corporation franchise tax rate.

Fixed dollar minimum tax for all New York S corporations, except qualified New York manufacturers or QETCs

| For a New York S Corporation with New York receipts of: | Fixed Dollar Minimum Tax Equals: |
|---|----------------------------------|
| \$ 100,000 or less..... | \$ 25 |
| 100,001 to 250,000..... | 50 |
| 250,001 to 500,000..... | 175 |
| 500,001 to 1,000,000..... | 300 |
| 1,000,001 to 5,000,000..... | 1,000 |
| 5,000,001 to 25,000,000..... | 3,000 |
| 25,000,001 or more..... | 4,500 |

Fixed dollar minimum tax for qualified New York S corporations that are qualified New York manufacturers or QETCs

For a corporation with New York receipts of:

| | |
|------------------------------|-------|
| \$ 100,000 or less..... | \$ 19 |
| 100,001 to 250,000..... | 38 |
| 250,001 to 500,000..... | 131 |
| 500,001 to 1,000,000..... | 225 |
| 1,000,001 to 5,000,000..... | 750 |
| 5,000,001 to 25,000,000..... | 2,250 |
| 25,000,001 or more..... | 3,375 |

S corporation extension information. Request a 6-month extension by filing Form CT-5.4, *Request for Six-Month Extension to File New York S Corporation Franchise Tax Return*.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

Every partnership having either (1) at least one partner who is an individual, estate, or trust that is a resident of New York State, or (2) any income, gain, loss, or deduction from New York State sources must file Form IT-204, *Partnership Return*, regardless of the amount of its income. New York State law does not require a partnership to file Form IT-204 solely because it has a partner that is either a partnership or corporation formed under the laws of New York State, even though such partner may be responsible for filing its own return with New York State.

The New York personal income tax and the corporate franchise taxes conform to the federal income tax classification of LLCs and LLPs.

LLCs, LLPs, and certain partnerships are also required to file Form IT-204-LL, *Partnership, Limited Liability Company, and Limited Liability Partnership Filing Fee Payment Form*. The following entities must file a return and pay a filing fee if they have any income, gain, loss, or deduction from New York sources in the current year and are:

- LLCs that are disregarded for federal income tax purposes,
- Domestic or foreign LLCs that are required to file a partnership return (Form IT-204) for the current year, or
- Regular partnerships (not LLCs or LLPs) with New York gross income for the preceding tax year of at least \$1,000,000.

Partnership/LLC franchise tax return due date. Form IT-204, *Partnership Return*, is due by the 15th day of the third month following the close of the partnership's tax year. LLCs and LLPs must also file Form IT-204-LL, *Partnership, Limited Liability Company, and Limited Liability Partnership Filing Fee Payment Form*, by the same date.

Partnership/LLC extension information. File Form IT-370-PF, *Application for Automatic Extension of Time to File for Partnerships and Fiduciaries*, to request a 6-month extension for Form IT-204. There is no extension of time to file Form IT-204-LL or pay the annual fee.

Partnership/LLC filing fee. The following filing fees are based on New York source gross income in the preceding year.

LLC and LLP filing fee. Entities that are disregarded for federal income tax purposes and those with no New York source income in the preceding year are subject to a filing fee of \$25.

New York source gross income

| <i>from preceding year is:</i> | <i>Filing fee equals:</i> |
|--------------------------------|---------------------------|
| \$ 0 to 100,000 | \$ 25 |
| 100,001 to 250,000 | 50 |
| 250,001 to 500,000 | 175 |
| 500,001 to 1,000,000 | 500 |
| 1,000,001 to 5,000,000 | 1,500 |
| 5,000,001 to 25,000,000 | 3,000 |
| 25,000,001 or more | 4,500 |

Regular partnership filing fee.

New York source gross income

| <i>from preceding year is:</i> | <i>Filing fee equals:</i> |
|--------------------------------|---------------------------|
| \$ 0 to 999,999 | \$ 0 |
| 1,000,000 | 500 |
| 1,000,001 to 5,000,000 | 1,500 |
| 5,000,001 to 25,000,000 | 3,000 |
| 25,000,001 or more | 4,500 |

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

Most tangible personal property and certain services are subject to New York State and local sales and use tax. Taxable services include maintaining, servicing, and repairing both tangible personal property and real property (land and buildings) and information services. The combined sales and use tax rate equals the state rate of 4% plus any local tax rate imposed by a city, county, or school district.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The New York Department of Taxation and Finance administers the sales and use tax.

Website: www.tax.ny.gov/bus/st/stdx.htm

Unemployment Insurance

Website: www.dol.ny.gov

Local Taxes

New York City requires separate business tax returns.

Website: www.nyc.gov

North Carolina

www.ncdor.gov

North Carolina Department of Revenue

Tax Practitioner Priority Service..... 919-754-2500

C Corporation Filing Requirements

Every corporation doing business in North Carolina, and every inactive corporation chartered or domesticated in North Carolina, must file an annual franchise and income tax return using the name reflected on the corporate charter if incorporated in North Carolina, or on the certificate of authority if incorporated outside North Carolina. A franchise tax is imposed on corporations for the privilege of doing business in North Carolina even though the activities are exempt from income tax under P.L. 86-272.

Corporation income tax return due date. Form CD-405, *C-Corporation Tax Return*, is due by the 15th day of the fourth month following the close of the corporation's tax year.

Corporation income tax rate. The franchise tax rate is \$1.50 per \$1,000 of a corporation's net worth. The minimum franchise tax is \$200 with no maximum except for qualified holding companies.

North Carolina corporate income tax rate..... 2.25%

Corporation extension information. File Form CD-419, *Application for Extension for Franchise and Corporate Income Tax*, to request a 6-month extension. A corporation that receives an automatic federal extension will be granted an automatic extension for North Carolina if the "Federal Extension" box on Form CD-405 is checked.

S Corporation Filing Requirements

Every S corporation doing business in North Carolina, and every inactive S corporation chartered or domesticated in North Carolina, must file an annual franchise and income tax return using the name reflected on the corporate charter if incorporated in North Carolina, or on the certificate of authority if incorporated outside North Carolina. A franchise tax is imposed on corporations for the privilege of doing business in North Carolina even though the activities are exempt from income tax under P.L. 86-272.

S corporation franchise tax return due date. Form CD-401S, *S-Corporation Tax Return*, is due by the 15th day of the fourth month following the close of the corporation's tax year.

S corporation franchise tax rate. The franchise tax rate is \$200 for the first \$1,000,000 of the corporation's tax base and \$1.50 per \$1,000 of its tax base that exceeds \$1,000,000. The minimum tax is \$200 with no maximum except for a qualified holding company.

S corporation extension information. File Form CD-419, *Application for Extension for Franchise and Corporate Income Tax*, to request a 6-month extension. An S corporation that receives an automatic federal extension will be granted an automatic extension for North Carolina if the "Federal Extension" box on Form CD-401S is checked.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

Every partnership doing business in North Carolina must file a partnership income tax return if a federal partnership return was required to be filed.

Exception: A partnership whose only activity is as an investment partnership is not considered to be doing business in North Carolina.

A limited liability company classified as a partnership for federal income tax purposes is also classified as a partnership for North Carolina income tax purposes.

Partnership/LLC income tax return due date. Form D-403, *Partnership Income Tax Return*, is due by the 15th day of the fourth month following the close of the partnership's tax year.

Partnership/LLC extension information. File Form D-410P, *Application for Extension for Filing Partnership, Estate, or Trust Tax Return*, to request a 6-month extension. A partnership that receives an automatic federal extension will be granted an automatic extension for North Carolina if the "Federal Extension" circle on Form D-403 is checked.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

The general state and applicable local and transit rates of sales and use tax apply to the sales price of each item or article of most tangible personal property, certain digital property, and certain services sold at retail and sourced to North Carolina. The general sales and use tax rate in North Carolina is 4.75%. Local rates also apply.

North Carolina use tax is due by individuals and businesses on tangible personal property and certain digital property purchased, leased, or rented inside or outside of North Carolina for storage, use, or consumption in North Carolina. Individuals and businesses must pay use tax when retailers or facilitators do not collect sales or use tax on taxable transactions.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The North Carolina Department of Revenue administers the sales and use tax.

Website: www.ncdor.gov/taxes-forms/sales-and-use-tax

Unemployment Insurance

Website: www.des.nc.gov

North Dakota

www.tax.nd.gov

North Dakota Office of State Tax Commissioner

Taxpayer information and assistance 701-328-1249

C Corporation Filing Requirements

Every corporation engaged in business in North Dakota, or having sources of income in North Dakota, must file a North Dakota corporation income tax return.

Corporation income tax return due date. Form 40, *Corporation Income Tax Return*, is due by the 15th day of the fourth month following the close of the corporation's tax year.

Corporation income tax rate. If taxable income is:

| | | | | | | |
|------------------|---|-------|-------|---------|---|-----|
| \$ 0 to 25,000 | × | 1.41% | minus | \$ 0.00 | = | Tax |
| 25,001 to 50,000 | × | 3.55% | minus | 535.00 | = | Tax |
| 50,001 and over | × | 4.31% | minus | 915.00 | = | Tax |

If a corporation elects to use the water's edge method to apportion its income, the corporation will be subject to an additional 3.5% surtax on its North Dakota taxable income.

Corporation extension information.

- A federal extension automatically extends the North Dakota filing due date to one month after the federal extension. A copy of the federal extension must be attached to the final return when filed.
- To request an extension of time to file for a valid reason, file Form 101, *Application for Extension of Time to File a North Dakota Tax Return*. Form 101 may be obtained by contacting the North Dakota Office of State Tax Commissioner.
- If tax is due, include Form 40-EXT, *Corporation Extension Payment Voucher*, with the payment.

S Corporation Filing Requirements

Every S corporation must file a North Dakota S corporation return if it is required to file a federal S corporation income tax return and it carries on business or derives gross income from sources in North Dakota.

S corporation income tax return due date. Form 60, *S Corporation Income Tax Return*, is due by the 15th day of the fourth month following the close of the corporation's tax year.

S corporation income tax rate. S corporation income subject to tax at the federal level is also subject to North Dakota tax at North Dakota corporate tax rates. See *Corporation income tax rate*, previous column.

S corporation extension information.

- A federal extension automatically extends the North Dakota filing due date to the same date as the federal extension.
- To request an extension of time to file for a valid reason, file Form 101, *Application for Extension of Time to File a North Dakota Tax Return*. Form 101 may be obtained by contacting the North Dakota Office of State Tax Commissioner.
- If tax is due, include Form 60-EXT, *S Corporation Extension Payment Voucher*, with the payment.

Partnership/LLC Filing Requirements

A partnership must file a North Dakota partnership return if it is required to file a federal partnership return and it carries on business or derives gross income from sources in North Dakota. If an LLC is treated like a partnership for federal income tax purposes, it is treated like a partnership for North Dakota income tax purposes.

Partnership/LLC income tax return due date. Form 58, *Partnership Income Tax Return*, is due by the 15th day of the fourth month following the close of the partnership's tax year.

Partnership/LLC extension information.

- A federal extension automatically extends the North Dakota filing due date to the same date as the federal extension.
- To request an extension of time to file for a valid reason, file Form 101, *Application for Extension of Time to File a North Dakota Tax Return*. Form 101 may be obtained by contacting the North Dakota Office of State Tax Commissioner.
- If tax is due, include Form 58-EXT, *Partnership Extension Payment Voucher*, with the payment.

Sales and Use Tax

North Dakota imposes a sales tax on the gross receipts of retailers. The tax is paid by the purchaser and collected by the retailer. The state general sales tax rate is 5%.

The purchase price of tangible personal property purchased outside of the state for storage, use, or consumption within the state is subject to a use tax. In addition, tangible personal property not originally purchased for use in North Dakota is subject to a use tax based upon its fair market value at the time it was brought into the state. Credits are allowed for sales and use taxes paid to other states. Use tax rates are the same as the sales tax rates.

Cities or counties which have adopted home rule charters may levy sales and use taxes.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The North Dakota Office of State Tax Commissioner administers the sales and use tax.

Website: www.nd.gov/tax/business/sales-and-use-tax

Unemployment Insurance

Website: www.jobsnd.com

Ohio

www.tax.ohio.gov

Ohio Department of Taxation

Tax Practitioner Hotline 855-728-1055

C Corporation Filing Requirements

Commercial activity tax (CAT). Ohio phased out the corporation franchise tax in favor of the commercial activity tax (CAT). The CAT is an annual privilege tax measured by gross receipts on business activities in Ohio. It applies to all types of businesses including retailers, service providers, manufacturers, and others. The CAT applies to all entities (sole proprietorships, partnerships, LLCs, and all types of corporations). There are limited exclusions for certain types of businesses such as financial institutions, dealers in intangibles, insurance companies and some public utilities.

Taxpayers must register for the CAT before filing any return. Taxpayers with taxable gross receipts in excess of \$6 million are required to file and pay on a quarterly basis. For more information, go to https://tax.ohio.gov/commercial_activities.aspx.

CAT rate. Taxable gross receipts above \$6 million are taxed at 0.26%.

S Corporation/Partnership/LLC Filing Requirements

Each qualifying pass-through entity (PTE) doing business in Ohio or otherwise having nexus with Ohio is subject to the PTE withholding tax. A qualifying PTE is an S corporation, a partnership, or an LLC treated for federal income tax purposes as either a partnership or an S corporation. Form IT 1140, *Pass-Through Entity and Trust Withholding Tax Return*, is used to report withholding tax due on pass-through entity (PTE) distributive shares of income.

There is no requirement to file Form IT 1140 if any of the following is applicable for the entire taxable year.

- The entity is a trust that does not directly or indirectly own real estate or tangible personal property located in Ohio and owns no direct or indirect equity investments in a pass-through entity (PTE) that has nexus with Ohio.
- The PTE's equity investors are limited to full-year Ohio resident individuals, estates, trusts, and C corporations.
- The PTE is filing Form IT 4708 on behalf of all its nonresident equity investors who are not full-year Ohio resident taxpayers.
- The PTE is filing Form IT 4738, *Electing Pass-Through Entity Income Tax Return*, which includes all of its owners.
- The PTE is either a disregarded entity or a qualifying subchapter S subsidiary, and the PTE's owner is excluded or is exempt from filing with the Department.

Qualified investors may elect to be included on Form IT 4708, *Pass-Through Entity Composite Tax Return*. A qualifying PTE must file Form IT 1140 and withhold the tax for qualifying investors that have not authorized the PTE to file Form IT 4708 on their behalf. Qualifying PTEs whose equity investors are limited to nonresident individuals, estates, and trusts can file either Form IT 1140 or Form IT 4708.

S corporation/partnership/LLC tax return due date. Form IT 1140, *Pass-Through Entity and Trust Withholding Tax Return*, is due on the 15th day of the fourth month after the close of the entity's taxable year.

Form IT 4708, *Pass-Through Entity Composite Tax Return*, is due on April 15 after the year in which the entity's taxable year ends.

S corporation/partnership/LLC tax rates.

| | |
|--------------------------|--------|
| Form 1140 tax rate | 3.000% |
| Form 4738 tax rate | 3.000% |
| Form 4708 tax rate | 3.125% |

S corporation/partnership/LLC extension information. If the qualifying pass-through entity has an extension of time to file its federal tax return, then the qualifying pass-through entity has the same extension of time to file Form IT 1140, IT 4708, and IT 4738. If tax is due, include Form IT 1140 UPC, Form IT 4708 UPC, or Form IT 4738 UPC, *Ohio Universal Payment Coupon (UPC) Pass-Through Entity/Fiduciary Income Tax*, with the payment.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

The Ohio sales and use tax applies to the retail sale, lease, and rental of tangible personal property, as well as the sale of selected services in Ohio. The Ohio use tax applies to the storage, use, or consumption of tangible personal property in Ohio—or the receipt of the benefit of selected services in Ohio—if sales tax was not paid to the vendor or seller. The state sales and use tax rate is 5.75%. Counties and regional transit authorities may levy additional sales and use taxes.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Ohio Department of Taxation administers the sales and use tax.

Website: www.tax.ohio.gov/sales_and_use.aspx

Unemployment Insurance

Website: www.jfs.ohio.gov

City Tax

Most Ohio cities require a separate city tax return.

Oklahoma

www.oklahoma.gov/tax

Oklahoma Tax Commission

Taxpayer information and assistance..... 405-521-3160

C Corporation Filing Requirements

Any corporation doing business within or deriving income from sources within Oklahoma is required to file an Oklahoma corporation income tax return, whether or not a tax is due.

Corporation income tax return due date. Form 512, *Corporation Income Tax Return*, is due 30 days after the due date of the federal return.

Corporation income tax rate.

Oklahoma corporate income tax rate 4%

Corporation extension information.

- Oklahoma allows an automatic extension if a valid federal extension is obtained and no tax is due. A copy of the federal extension must be enclosed with the final return when filed.
- File Form 504-C, *Application for Extension of Time to File an Oklahoma Income Tax Return for Corporations, Partnerships, and Fiduciaries*, to request up to a 7-month extension. To receive an extension, at least 90% of the tax due must be paid by the original return due date.

S Corporation Filing Requirements

All corporations having an election in effect under Subchapter S of the IRC, engaged in business or deriving income from property located in Oklahoma, and that are required to file a federal S corporation income tax return, must file an Oklahoma S corporation return.

S corporation income tax return due date. Form 512-S, *Small Business Corporation Income Tax Return*, is due 30 days after the federal due date.

S corporation extension information. S corporations follow the same rules as C corporations. See *Corporation extension information*, above.

Electing pass-through entities use Form 504-PTE, *Application for Extension of Time to File an Oklahoma Income Tax Return for Electing Pass-Through Entities*.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

Every partnership, including syndicates, groups, pools, joint ventures, limited liability companies, limited liability partnerships, or other unincorporated organizations (exclusive of trusts, estates, or corporations defined by the act), having Oklahoma-source income must file an Oklahoma partnership return.

Partnership/LLC income tax return due date. Form 514, *Oklahoma Partnership Income Tax Return*, is due 30 days after the federal due date.

Partnership/LLC extension information.

- Oklahoma allows an automatic extension if a valid federal extension is obtained and no tax is due. A copy of the federal extension must be enclosed with the final return when filed.
- File Form 504-C, *Application for Extension of Time to File an Oklahoma Income Tax Return for Corporations, Partnerships, and Fiduciaries*, to request up to a 6-month extension.
- Electing pass-through entities use Form 504-PTE, *Application for Extension of Time to File an Oklahoma Income Tax Return for Electing Pass-Through Entities*.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

Oklahoma state sales tax must be charged and collected on all transfers of title or possession of tangible personal property for valuable consideration that occur within Oklahoma. The sales tax is also levied on certain services that are provided in Oklahoma. If the transaction occurs within the boundaries of a county or municipality that also levies a sales tax, the applicable county or municipal sales tax must also be charged and collected.

The state sales tax rate is 4.5%, which is in addition to any sales/use tax imposed by localities.

Oklahoma state use tax must be paid on tangible personal property purchased and brought into this state for storage, use, or consumption. If the property is brought into a county or municipality that also levies a use tax, the applicable county or municipal use tax must be paid.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Oklahoma Tax Commission administers the sales and use tax.

Website: www.oklahoma.gov/tax/businesses/sales-use-tax

Unemployment Insurance

Website: www.oklahoma.gov/oesc

Oregon

www.oregon.gov/dor

Oregon Department of Revenue

Tax Practitioner Hotline 503-947-3541

C Corporation Filing Requirements

Corporations that are doing business in Oregon are required to file Form OR-20, *Oregon Corporation Excise Tax Return*.

Corporations that have income from an Oregon source, but are not doing business in Oregon, are required to file Form OR-20-INC, *Oregon Corporation Income Tax Return*.

Corporations not doing business in Oregon and with no Oregon source income, even if incorporated in or registered to do business in the state, are not subject to the excise or minimum tax and are not required to file a corporation tax return.

Businesses with commercial activity in Oregon may also be subject to the CAT. See *Corporate Activity Tax (CAT)*, page 34-28.

Corporation excise/income tax return due date. Form OR-20, *Oregon Corporation Excise Tax Return*, and Form OR-20-INC, *Oregon Corporation Income Tax Return*, are due by the 15th day of the month following the due date of the federal return.

Corporation tax rate. Oregon has two types of corporate taxes—excise and income.

- Excise tax is the most common. Most corporations do not qualify for Oregon's income tax. Excise tax is a tax for the privilege of doing business in Oregon. It is measured by net income. Corporation excise tax filers pay the greater of calculated tax or minimum tax.
- Income tax is for corporations not doing business in Oregon, but with income from an Oregon source. Income tax filers pay only calculated tax and are not subject to a minimum tax.

Calculated tax. If taxable income is:

| | | | |
|--------------------|--------|-----------------|-------|
| \$ 0 to 1,000,000 | × 6.6% | minus \$ 0.00 | = Tax |
| 1,000,001 and over | × 7.6% | minus 10,000.00 | = Tax |

Minimum tax rate. Oregon sales of filing group:

| | Minimum tax: |
|--------------------------|--------------|
| \$ 0 to \$ 499,999 | \$ 150 |
| 500,000 to 999,999 | 500 |
| 1,000,000 to 1,999,999 | 1,000 |
| 2,000,000 to 2,999,999 | 1,500 |
| 3,000,000 to 4,999,999 | 2,000 |
| 5,000,000 to 6,999,999 | 4,000 |
| 7,000,000 to 9,999,999 | 7,500 |
| 10,000,000 to 24,999,999 | 15,000 |
| 25,000,000 to 49,999,999 | 30,000 |
| 50,000,000 to 74,999,999 | 50,000 |
| 75,000,000 to 99,999,999 | 75,000 |
| 100,000,000 and over | 100,000 |

Corporation extension information.

- Oregon accepts a valid federal extension. Attach a copy of the federal extension to the final return when filed.
- If an extension is needed for Oregon only, complete federal Form 7004, answer question 1, write "For Oregon Only" at the top of the form, and include it with the Oregon return when filed.

- Use Form OR-20-V, *Oregon Corporation Tax Payment Voucher*, to make a payment by the original due date of the return.
- The Oregon extension due date is the 15th day of the month following what would be the federal extension's due date.

S Corporation Filing Requirements

S corporations that are doing business in Oregon or receiving income from Oregon sources are required to file Form OR-20-S, *Oregon S Corporation Tax Return*.

Businesses with commercial activity in Oregon may also be subject to the CAT. See *Corporate Activity Tax (CAT)*, page 34-28.

S corporation income tax return due date. Form OR-20-S, *Oregon S Corporation Tax Return*, is due by the 15th day of the month following the due date of the federal return.

S corporation tax rate. S corporations pay Oregon tax on income from built-in gains or excess net passive income if such income is subject to tax on the federal corporation return.

All S corporations doing business in Oregon must pay the \$150 minimum excise tax.

S corporations that derive income from sources within Oregon but whose income producing activity does not constitute "doing business" must file under the income tax provisions. There is no minimum tax for a corporate income tax filer. See *Corporation tax rate*, previous column.

S corporation extension information. S corporations follow the same rules as C corporations. See *Corporation extension information*, previous column.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

A partnership must file an Oregon partnership return if it has:

- Income or loss derived from or connected with sources in Oregon.
- One or more Oregon resident partners.

Oregon follows federal filing guidelines. An entity is not required to file an Oregon partnership return if it is not required to file a federal partnership return.

Businesses with commercial activity in Oregon may also be subject to the CAT. See *Corporate Activity Tax (CAT)*, page 34-28.

Partnership/LLC income tax return due date. Form OR-65, *Oregon Partnership Return of Income*, is due by the 15th day of the third month following the close of the partnership's tax year.

Partnership/LLC/LLP tax rate. Partnerships, LLCs, and LLPs doing business in Oregon are subject to a minimum tax of \$150. Partnerships that are not doing business in Oregon are not subject to the minimum tax.

Partnership/LLC extension information.

- Oregon accepts a valid federal extension and allows the same extended due date as the federal.
- If an extension is needed for Oregon only, use Form OR-65-V, *Oregon Partnership Return of Income Payment Voucher*, to make the minimum tax payment by the original due date, check the extension box on Form OR-65, and enter the extended due date.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

Oregon does not impose a general sales and use tax.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Unemployment Insurance

Website: www.oregon.gov/EMPLOY

Oregon Transit Taxes

Transit taxes are administered by the Oregon Department of Revenue.

Transit payroll taxes. The programs are administered for the Tri-County Metropolitan Transportation District (TriMet) and the Lane County Mass Transit District (LDT). Taxes are imposed on the employer based on the amount of gross payroll for services performed within either district.

Statewide transit tax. The statewide transit tax is imposed on the wages of each employee at a rate of 0.1%. The employer is responsible for withholding and remitting the tax.

Corporate Activity Tax (CAT)

Any business, or unitary group of businesses, doing business in Oregon may have responsibilities under the CAT. This includes all business entity types, such as C and S corporations, partnerships, sole proprietorships, and other entities. Businesses with Oregon commercial activity exceeding \$750,000 must register for the CAT within 30 days of meeting the threshold. If commercial activity is \$1,000,000 or more, the business is required to file Form OR-CAT, *Oregon Corporate Activity Tax Return*, by the 15th day of the fourth month following the end of the tax year. The tax is computed as \$250 plus 0.57% of taxable Oregon commercial activity of more than \$1,000,000.

Pennsylvania

www.pa.gov/agencies/revenue

Pennsylvania Department of Revenue

Taxpayer information and assistance..... 717-787-1064

C Corporation Filing Requirements

Domestic and foreign corporations are subject to the corporate net income tax for the privilege of doing business, carrying on activities, having capital or property employed or used in Pennsylvania, or owning property in Pennsylvania. A Pennsylvania corporate net income tax return must be filed by all business entities that have elected to file as a corporation with the IRS, including corporations, business trusts, limited liability companies, S corporations with built-in gains, and any other entity electing to file as a corporation under the federal Check-the-Box rule.

Corporation income tax return due date. Form RCT-101, *Pennsylvania Corporate Net Income Tax Report*, is due by the 15th day of the month following the due date of the federal return.

Corporation income tax rate.

Pennsylvania corporate net income tax rate..... 7.99%

Corporation extension information.

- Taxpayers granted an extension to file the federal income tax return will automatically be granted an extension to file Form RCT-101 until the 15th day of the month following the federal extended due date. Include a copy of the federal extension request when the return is filed.
- To request a Pennsylvania extension of 60 days or to make an annual tax payment with the extension, file Form REV-853, *Annual Extension Request*.

S Corporation/Partnership/LLC Filing Requirements

Every domestic or foreign Pennsylvania S corporation, partnership, or entity formed as a limited liability company that is classified as a partnership or S corporation for federal income tax purposes must file Form PA-20S/PA-65, *PA S Corporation/Partnership Information Return*, if any of the following apply.

- During the taxable year, the partnership, Pennsylvania S corporation, or its qualified subchapter S subsidiary earned, received, or acquired any gross taxable income (loss) allocable or apportionable to Pennsylvania, or
- During the taxable year, the Pennsylvania S corporation had at least one shareholder that was a Pennsylvania resident (or part-year resident) individual, estate, trust, or disregarded entity owned by a resident (or part-year resident) individual, or
- The partnership, at year-end, had at least one partner that was a Pennsylvania resident individual, estate, trust, or disregarded entity owned by a resident individual.

S corporation general rules. All Pennsylvania S corporations that conduct business in Pennsylvania must also file Form RCT-101, *Pennsylvania Corporate Net Income Tax Report*, if the corporation has built-in gains.

If a corporation elects to be an S corporation for federal purposes, it will be recognized as a Pennsylvania S corporation unless it files Form REV-976, *Election Not to be Taxed as a Pennsylvania S Corporation*.

S corporation/partnership/LLC income tax return due date. Form PA-20S/PA-65, *PA S Corporation/Partnership Information Return*, is due by the 15th day of the fourth month following the close of the entity's tax year.

S corporation/partnership/LLC extension information.

- An entity that has an extension of time to file the federal S corporation or partnership return and does not owe Pennsylvania nonresident withholding tax will be granted an automatic 5-month extension to file Form PA-20S/PA-65.
- File Form REV-276, *Application for Automatic Extension of Time to File*, to request a 5-month extension or to make a payment of tax due.

Sales and Use Tax

The sales and use tax is imposed on the retail sale, consumption, rental or use of tangible personal property in Pennsylvania. The tax is also imposed on certain services relating to such property and on the charge for specific business services.

A use tax, at the same rate as sales tax, is due on taxable purchases of tangible personal property or specified services used or consumed in Pennsylvania where no sales tax is paid to a vendor.

The hotel occupancy tax, imposed at the same rate as sales tax, applies to room rental charges for periods of less than 30 days by the same person.

The Pennsylvania sales tax rate is 6%. By law, a 1% local tax is added to purchases made in Allegheny County and 2% local tax is added to purchases made in Philadelphia.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Pennsylvania Department of Revenue administers the sales and use tax.

Website: www.pa.gov/en/agencies/revenue/resources/tax-types-and-information/sales-use-and-hotel-occupancy-tax.html

Unemployment Insurance

Website: www.uc.pa.gov

Rhode Island

www.tax.ri.gov

Rhode Island Division of Taxation

Taxpayer information and assistance..... 401-574-8935

Corporation Filing Requirements

Every business corporation, joint stock company, or association exercising corporation functions or otherwise doing business in Rhode Island is required to file an annual tax return and is subject to income tax.

Corporation income tax return due date. Form RI-1120C, *Business Corporation Tax Return*, is due by the 15th day of the fourth month after the close of the corporation's tax year.

Corporation income tax rate.

Rhode Island corporate income tax rate..... 7%

The minimum tax is \$400.

Corporation extension information. Use Form BUS-EXT, *Business Tax Automatic Extension Request*, to request an automatic 6-month extension (seven months for Form RI-1120C filers with a June 30 fiscal year end). A proper estimate of tax due is required to be reported on Form BUS-EXT, otherwise the extension will be void.

S Corporation Filing Requirements

A small business corporation having an election in effect under Subchapter S of the IRC is required to file an annual tax return and pay the \$400 minimum annual tax. If a subchapter S corporation is taxable for federal purposes, it must attach RI Schedule S and compute any tax due at the 7% corporate rate.

S corporation income tax return due date. Form RI-1120S, *Subchapter S Business Corporation Tax Return*, is due by the 15th day of the third month following the close of the entity's tax year.

S corporation income tax rate. The minimum tax is \$400.

S corporation extension information. S corporations follow the same rules as C corporations. See *Corporation extension information*, above.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

Limited liability companies, limited liability partnerships, limited partnerships, general partnerships, and single-member limited liability companies not treated as a corporation on the federal level are required to file an annual tax return. Such entities, with the exception of general partnerships, shall be subject to an annual fee equal to the minimum tax imposed upon a corporation (\$400).

Partnership/LLC return due date. For all filers except single-member LLCs, Form RI-1065, *Partnership Income Return*, is due by the 15th day of the third month following the close of the taxable year.

For single-member LLC filers, Form RI-1065 is due by the 15th day of the fourth month following the close of the taxable year.

Partnership/LLC income tax rate. The minimum tax is \$400.

Partnership/LLC extension information. Partnerships and LLCs follow the same rules as C corporations. See *Corporate extension information*, page 34-28.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

Rhode Island imposes a sales tax on the retail sale, rental, or lease of many goods and services at a rate of 7%. Any sale is a retail sale if the property sold is not to be resold in the regular course of business.

Use taxes are complementary to sales taxes. Use tax applies to purchases of goods from outside Rhode Island for storage, use, or consumption in Rhode Island.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Rhode Island Division of Taxation administers the sales and use tax.

Website: www.tax.ri.gov/tax-sections/sales-excise-taxes/sales-use-tax

Unemployment Insurance

Website: <https://dlt.ri.gov/ui>

South Carolina

www.dor.sc.gov

South Carolina Department of Revenue

Taxpayer information and assistance..... 844-898-8542

Corporation Filing Requirements

Every corporation that is transacting or conducting business within South Carolina is required to file a South Carolina corporation income tax return.

A corporation must be chartered or qualified to do business in the state with the South Carolina Secretary of State (SCSOS). A return must be filed and the license fee paid until the charter or qualification is cancelled with the SCSOS, regardless of the activity of the corporation.

Corporation income tax return due date. Form SC1120, *C Corporation Income Tax Return*, is due by the 15th day of the fourth month after the close of the corporation's tax year.

Corporation income tax rate.

South Carolina corporate income tax rate..... 5%

The license fee, computed on the total capital stock and paid in surplus, is 0.1% plus \$15. The minimum license fee is \$25.

Corporation extension information.

- A valid federal extension will automatically extend the due date of the South Carolina return for the same period as the federal extension.
- If any corporate income tax or license fee is due, or if a federal extension has not been obtained, file Form SC1120-T, *Application for Automatic Extension of Time to File Corporation Tax Return*.

Note: An extension of time to file the corporate income tax return does not extend the due date of Form PT-100, *Business Personal Property Tax Return*. See *Business Personal Property Tax*, next column.

S Corporation Filing Requirements

If a corporation has a valid S election and is doing business in South Carolina, the corporation must file Form SC1120S, *S Corporation Income Tax Return*. If an S corporation has met the requirements of the Transitional Rule and elected for South Carolina purposes to be treated as a C corporation, Form SC1120, *C Corporation Income Tax Return*, must be filed.

S corporation income tax return due date. Form SC1120S, *S Corporation Income Tax Return*, is due by the 15th day of the third month after the close of the corporation's tax year.

S corporation income tax rate. South Carolina imposes the 5% corporate tax on the excess net passive income and/or built-in gains taxed on the federal return.

The S corporation license fee is calculated the same as a C corporation. See *Corporation income tax rate*, previous column.

S corporation extension information. S corporations follow the same rules as C corporations. See *Corporation extension information*, previous column.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership Filing Requirements

Every partnership, domestic or foreign, doing business or owning property in South Carolina must file Form SC1065, *Partnership Return*. An LLC taxed as a partnership for federal income tax purposes must file Form SC1065.

Partnership income tax return due date. Form SC1065, *Partnership Return*, is due by the 15th day of the third month after the close of the partnership's tax year.

Partnership extension information.

- File Form SC8736, *Request for Extension of Time to File South Carolina Return for Fiduciary and Partnership*, to request a 6-month extension.
- In lieu of Form SC8736, South Carolina will accept a federal extension. Attach a copy of the federal extension to the return when filed.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

Sales tax is imposed on the sale of goods and certain services in South Carolina. Use tax is imposed on the purchase of tangible goods for use in South Carolina on which no sales tax has been paid. The statewide sales and use tax rate is 6%. Counties may impose an additional 1% local sales tax if voters in that county approve the tax. Generally, all retail sales are subject to the sales tax.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The South Carolina Department of Revenue administers the sales and use tax.

Website: www.dor.sc.gov/tax/sales-and-use

Unemployment Insurance

Website: www.dew.sc.gov

Business Personal Property Tax

Business personal property tax is a property tax on the furniture, fixtures, and equipment that are owned and used to operate a business. All businesses are required to file Form PT-100, *Business Personal Property Return*. The return is due on the last day of the fourth month of the close of the tax year. There is no provision for an extension of time to file. Payments are billed and paid through the counties and are not due at the time of filing the return.

Website: <https://dor.sc.gov/tax/business-personal-property>

South Dakota

<https://dor.sd.gov>

South Dakota Department of Revenue

Taxpayer information and assistance 800-829-9188

Business Income Tax

South Dakota does not impose a business income tax.

Sales and Use Tax

The sales tax is applied to the gross receipts of all retail sales, including the selling, leasing, and renting of tangible personal property or the sale of services, as long as the products or services are not specifically intended for resale or sold to a governmental or sales tax exempt agency.

A use tax of the same rate as the sales tax applies to all goods and services that are used, stored, or consumed in South Dakota on which sales tax was not paid or paid to another state at a lower rate. The purchaser or consumer of the goods or services is responsible for reporting and remitting the use tax in the filing period in which they receive the goods or services.

The state sales and use tax rate is 4.2%. In addition, municipalities may impose municipal sales and use tax of up to 2% and a 1% municipal gross receipts tax. Some sales are subject to additional tax.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The South Dakota Department of Revenue administers the sales and use tax.

Website: <https://dor.sd.gov/businesses/taxes/sales-use-tax>

Reemployment Assistance

Website: <https://dlr.sd.gov/ra/>

Tennessee

www.tn.gov/revenue

Tennessee Department of Revenue

Tax Practitioner Hotline 615-253-0700

Franchise, Excise Tax Return Filing Requirements

Franchise and excise taxes are privilege taxes imposed on each corporation, limited partnership, limited liability company, and business trust chartered/organized in Tennessee or doing business in Tennessee. Entities disregarded for federal income tax purposes are not disregarded to franchise and excise taxes except for LLCs whose single member is a corporation. General partnerships and sole proprietorships are not subject to the tax.

Franchise, excise tax return due date. Form FAE 170, *Franchise and Excise Tax Return*, is due by the 15th day of the fourth month following the close of the entity's tax year.

Franchise, excise tax rate. The tax is based on net earnings or income for the tax year.

- Franchise tax is 0.25% of the greater of net worth or real and tangible property in Tennessee. The minimum tax is \$100.
- Excise tax is 6.5% of Tennessee taxable income.

Franchise, excise extension information. If payment is required, file Form FAE 173, *Application for Extension of Time to File Franchise and Excise Tax Return*, to request a 7-month extension. Lesser of 100% of prior year tax liability or 90% of current year tax liability must be paid by the original return due date.

Sales and Use Tax

The Tennessee sales and use tax is applied to the retail sales of any business, organization, or person engaged in making retail sales, including the selling, leasing, or renting of tangible personal property and the selling of certain taxable services, amusements, and digital products specified in the law. The tax rate is a combination of the state tax rate of 7% and a local option tax of up to 2.75%.

The use tax is the counterpart to the sales tax. Use tax is applied when merchandise (tangible personal property) is purchased from outside the state of Tennessee and imported into the state for use or consumption.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Tennessee Department of Revenue administers the sales and use tax.

Website: www.tn.gov/revenue/taxes/sales-and-use-tax

Unemployment Insurance

Website: www.tn.gov/workforce/unemployment

Texas

www.comptroller.texas.gov

Texas Comptroller of Public Accounts

Tax Practitioner Hotline 800-248-4093

Corporation Filing Requirements

The franchise tax is imposed on entities that are either organized in Texas or doing business in Texas including corporations, LLCs, banks, state limited banking associations, savings and loan associations, S corporations, professional corporations, partnerships, trusts, professional associations, business associations, joint ventures, and other legal entities.

Tax is not imposed on:

- Sole proprietorships (except for single member LLCs),
- General partnerships where direct ownership is composed entirely of natural persons (except for LLPs),
- Entities exempt under Subchapter B of Chapter 171,
- Certain unincorporated passive entities,
- Certain grantor trusts, estate of natural persons, and escrows,
- REMICs and certain qualified REITs,
- Trusts qualified under IRC section 401(a),
- Trusts exempt under IRC section 501(c)(9), or
- Unincorporated political committees.

Franchise tax return due date. The Texas Franchise Tax Report includes Form 05-158-A, *Texas Franchise Tax Report—Page 1*, and Form 05-158-B, *Texas Franchise Tax Report—Page 2*, and is due by:

- May 15 for annual reports.
- 60 days after the entity ceases doing business in Texas for final reports.

If the entity's annualized total revenue is at or below \$2,470,000, a return is not required, however, the entity must still file either a public information report or an ownership information report. See *Public information report*, below, and *Ownership information report*, below.

Entities with \$20 million or less in total revenue (annualized per 12-month period on which the report is based) may elect to file Form 05-169, *Texas Franchise Tax EZ Computation Report*.

Corporation franchise tax rate.

- 0.75% for most entities.
- 0.375% for qualifying wholesalers and retailers.
- 0.331% for entities electing the EZ computation.

Taxable entities with tax due of less than \$1,000 will owe no tax but must file a report.

Corporation extension information. File Form 05-164, *Texas Franchise Tax Extension Request*, to request a 6-month extension. The extension payment must be at least 90% of the tax that will be due with the report or 100% of the tax reported as due on the prior franchise tax report.

Public information report. Each corporation and LLC that has a franchise tax responsibility must file a public information report (PIR) to satisfy their filing obligation. Form 05-102, *Texas Franchise Tax Public Information Report*, is due on the date the franchise tax report is due.

Ownership information report. The ownership information report (OIR) must be filed for each taxable entity other than a legally formed corporation, LLC, limited partnership, professional association, or financial institution. Form 05-167, *Texas Franchise Tax Ownership Information Report*, is due on the date the franchise tax report is due.

S Corporation, Partnership, and LLC Information

Same as listed for C corporations, page 34-30.

Sales and Use Tax

Texas imposes a 6.25% state sales and use tax on all retail sales, leases, and rentals of most goods, as well as taxable services. Local taxing jurisdictions can also impose up to a 2% sales and use tax for a maximum combined rate of 8.25%.

Anyone who buys taxable goods and services that are stored, used, or consumed in Texas from a seller who does not charge sales tax owes use tax.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Texas Comptroller of Public Accounts administers the sales and use tax.

Website: www.comptroller.texas.gov/taxes/sales

Unemployment Insurance

Website: <https://twc.texas.gov>

Utah

www.tax.utah.gov

Utah State Tax Commission

Taxpayer information and assistance 800-662-4335

C Corporation Filing Requirements

Every C corporation incorporated in Utah (domestic), qualified in Utah (foreign), or doing business in Utah, whether qualified or not, must file a corporate franchise tax return.

Corporations required to file under the income tax provisions are those that derive income from Utah sources, but are not qualified to do business in Utah and have no regular and established place of business in Utah, either owned or rented, and do not maintain an inventory or have employees located at a place of business in Utah.

Corporation income/franchise tax return due date. Form TC-20, *Utah Corporation Franchise and Income Tax Return*, is due by the 15th day of the fourth month following the close of the taxable year.

Corporation income/franchise tax rate.

Utah corporate income/franchise tax rate 4.5%

The minimum tax is \$100.

Corporation extension information. Corporations are automatically allowed a 6-month extension without filing an extension form. Extension payments must equal 90% of the current year tax liability or 100% of the prior year tax. Use Form TC-559, *Corporation/Partnership Payment Coupon*, to make estimated prepayments.

S Corporation Filing Requirements

Every corporation incorporated in Utah, qualified in Utah, or doing business in Utah must file a corporate franchise tax return. Every S corporation that has filed a proper and timely federal election must file Form TC-20S, *Utah S Corporation Return*, as long as the federal election remains in effect. The minimum tax does not apply to S corporations.

The only corporations required to file under the income tax provisions are those that derive income from Utah sources but are not qualified to do business in Utah and have no regular and established place of business in Utah, either owned or rented, and do not maintain an inventory or have employees located at a place of business in Utah.

S corporation return due date. Form TC-20S, *Utah S Corporation Return*, is due by the 15th day of the fourth month following the close of the tax year.

S corporation extension information. S corporations are automatically allowed a 6-month extension without filing an extension form. All pass-through withholding tax must be paid by the original due date of the return.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

A partnership or other entity treated as a partnership for federal tax purposes with any partners or members who are businesses, trusts, estates, or nonresident individuals is required to file a Utah partnership return. If all partners are Utah resident individuals, the partnership is not required to file a return if it is not a pass-through entity taxpayer and it maintains records that show each partner's share of income, losses, credits, and other distributive items, and those records are made available to the Tax Commission upon request.

Partnership/LLC tax return due date. Form TC-65, *Utah Partnership/Limited Liability Partnership/Limited Liability Company Return*, is due by the 15th day of the fourth month following the close of the taxable year.

Partnership/LLC extension information. Partnerships and LLCs are automatically allowed a 5-month extension without filing an extension form. All pass-through withholding tax must be paid by the original due date of the return.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

Sales tax is a tax on the retail sale or lease of all tangible personal property and on certain services. Sales tax is collected by a Utah licensed retailer or seller and is paid to the Tax Commission. In addition to sales tax imposed by local communities, the state sales tax rate is 4.85%.

Use tax is a tax on amounts paid or charged for purchases of tangible personal property and for certain services where sales tax was due but not charged. In cases where the seller does not charge sales tax, it becomes use tax and the purchaser is responsible to report and remit use tax directly to the Tax Commission.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Utah State Tax Commission administers the sales and use tax.

Website: <https://tax.utah.gov/sales>

Unemployment Insurance

Website: <https://jobs.utah.gov/ui>

Annual Report

An annual registration and fee with the Utah Department of Commerce is required for all entities unless specifically exempt.

Website: <https://corporations.utah.gov>

Vermont

www.tax.vermont.gov

Vermont Department of Taxes

Tax Practitioner Hotline 802-828-6815

C Corporation Filing Requirements

A corporation must file a return if it was registered with the Secretary of State during the tax year, was incorporated in Vermont, had any business activity or received any income (positive or negative) allocable or apportionable to Vermont, or has an open corporate income tax account.

Corporation income tax return due date. Form CO-411, *Corporate Income Tax Return*, is due on the due date of the federal return.

Corporation income tax rate. If taxable income is:

| | | | | |
|------------------|--------|-------|---------|-------|
| \$ 0 to 10,000 | × 6.0% | minus | \$ 0.00 | = Tax |
| 10,001 to 25,000 | × 7.0% | minus | 100.00 | = Tax |
| 25,001 and over | × 8.5% | minus | 475.00 | = Tax |

If Vermont gross receipts are:

| | | | |
|------------------------------|-------|-----------------|-----------|
| \$0 to \$500,000 | | Minimum tax is: | \$100 |
| \$500,001 to \$1,000,000 | | | \$500 |
| \$1,000,001 to \$5,000,000 | | | \$2,000 |
| \$5,000,001 to \$300,000,000 | | | \$6,000 |
| \$300,000,001 and over | | | \$100,000 |
| Small farm corporations | | | \$75 |

Corporation extension information. An extension of time to file a federal return automatically extends the time to file with Vermont until 30 days beyond the federal extension date. Corporations needing a Vermont extension should file Form BA-403, *Application for Extension of Time to File Vermont Corporate/Business Income Tax Returns*, and include payment if tax is due.

S Corporation/Partnership/LLC Filing Requirements

Every S corporation, partnership, and LLC which engages in activities in Vermont must file a return with the Commissioner of Taxes. Single-member LLCs which have elected to be classified for federal purposes as disregarded entities and report their entity's activity on federal Form 1040 or Form 1120 are not required to file Form BI-471, *Business Income Tax Return*.

S corporation/partnership/LLC income tax return due date. Form BI-471, *Business Income Tax Return*, is due on the due date of the federal return.

S corporation/partnership/LLC income tax rate. S corporations, partnerships, and LLCs are not subject to Vermont income tax. The income is taxed and paid at the individual level. Pass-through entities are liable for a minimum annual entity tax of \$250. S corporations subject to federal income tax on items such as built-in gains or capital gains are subject to the corporate tax rates for that income. See *Corporation income tax rate*, page 34-31.

S corporation/partnership/LLC extension information. S corporations, partnerships, and LLCs follow the same rules as C corporations. See *Corporation extension information*, above.

Sales and Use Tax

Sales tax is applied to the gross receipts of all retail sales, including selling, leasing, and renting of tangible personal property or the sale of certain services in Vermont, as long as the products or services are not specifically exempt or sold to an exempt entity. Additional local sales and use tax may apply, depending on the location. The tax rate to be applied for local option purposes is determined by the delivery location of the item purchased, rather than the origin of the sale.

The Vermont sales and use tax rate is 6%. Some municipalities also have a 1% local option tax. Use tax is not subject to local option tax.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Vermont Department of Taxes administers the sales and use tax.

Website: <https://tax.vermont.gov/business/sales-and-use-tax>

Unemployment Insurance

Website: <https://labor.vermont.gov/unemployment-insurance>

Annual Report

An annual registration and fee with the Vermont Secretary of State is required for all entities unless specifically exempt.

Website: <https://sos.vermont.gov>

Virginia

www.tax.virginia.gov

Virginia Department of Taxation

Taxpayer information and assistance..... 804-367-8037

C Corporation Filing Requirements

Every corporation organized under the laws of Virginia, every foreign corporation registered with the State Corporation Commission for the privilege of doing business in Virginia, and every corporation having income from Virginia sources must file a corporation income tax return, unless specifically exempt.

Corporation income/tax return due date. Form 500, *Virginia Corporation Income Tax Return*, is due by the 15th day of the fourth month following the close of the taxable year.

Corporation income tax rate.

Virginia corporate income tax rate..... 6%

Corporation extension information. Virginia grants an automatic 7-month extension for filing corporation income tax returns. Nonprofits and all other corporation entities have an automatic six-month filing extension. To avoid underpayment penalties at least 90% of tax liability must be paid by the original due date of the tax return. Corporations are required to make payments electronically.

S Corporation/Partnership/LLC Filing Requirements

Every pass-through entity doing business in Virginia, or having income from Virginia sources, is required to file a return. Pass-through entities include S corporations, general partnerships, limited partnerships, LLPs, LLCs, electing large partnerships, and business trusts. A single-member LLC that is disregarded as a separate entity for federal income tax purposes is not required to file Form 502.

S corporation/partnership/LLC income tax return due date. Form 502, *Pass-Through Entity Return of Income and Return of Nonresident Withholding Tax*, is due by the 15th day of the fourth month following the close of the taxable year.

S corporation/partnership/LLC extension information. An automatic extension of time to file is granted without written request to the date six months after the original return due date or 30 days after the extended date for filing the federal income tax return, whichever is later.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

Sales tax is applied to the gross receipts of all retail sales, including selling, leasing, and renting of tangible personal property in Virginia, as long as the products are not specifically exempt or sold to an exempt entity. The sales tax rate for most locations in Virginia is 5.3%.

Litter tax. Every manufacturer, wholesaler, distributor, or retailer of the following products is subject to the tax: food for human or pet consumption, groceries, cigarettes and tobacco, soft drinks and carbonated waters, beer and other malt beverages, wine, newspapers and magazines, paper products and household paper, glass containers, metal containers, plastic or fiber containers made of synthetic material, cleaning agents and toiletries, nondrug drugstore sundries, distilled spirits, and motor vehicle parts.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Virginia Department of Taxation administers the sales and use tax and litter tax.

Website: www.tax.virginia.gov/retail-sales-and-use-tax

Unemployment Insurance

Website: www.vec.virginia.gov

Annual Report

An annual registration and fee with the Secretary of State is required for all entities, unless specifically exempt. Renewal must be made no later than December 31 or registration will expire.

Website: www.commonwealth.virginia.gov/official-documents/organization-registration

Washington

www.dor.wa.gov

Washington Department of Revenue

Taxpayer information and assistance..... 360-705-6705

Business Filing Requirements

The state of Washington does not have a personal income tax or a corporate income tax. Nor does it impose a tax on intangible assets. However, Washington businesses are responsible for various other state levies. Washington assesses a corporate tax called the Business and Occupation (B&O) Tax which is filed on a *Combined Excise Tax Return*, a *Business & Occupation Activities Return*, or a *Retailing and Other Activities Return*. The returns include the B&O tax, sales and use tax, and other taxes.

Almost all businesses located or doing business in Washington are subject to the state B&O tax, including corporations, limited liability companies (LLCs), partnerships, sole proprietors, and nonprofit organizations.

Local reporting requirements. In addition to the state tax reporting requirements, many Washington cities also have a local B&O tax.

Active non-reporting status. Businesses that meet the following criteria are not required to file monthly, quarterly, or annual tax returns.

- Business activity does not require the collection of retail sales tax.
- Gross proceeds of sales, gross income, or value of products or services for all B&O tax classifications is less than \$125,000 per year.
- Gross income of the business for all public utility tax classifications is less than \$24,000 per year.
- The business does not owe any other tax or fee to the Department of Revenue.

Business and Occupation (B&O) tax rate. The B&O tax rates vary by classification. The major B&O classification rates range from 0.471% to 2.100% of gross income. The B&O tax is calculated on gross income. Deductions for labor, materials, taxes, or other costs of doing business are not allowed. However, businesses may be eligible for credits that offset tax.

Sales and Use Tax

Sales tax is applied to the gross receipts of all retail sales, including selling, leasing, and renting of tangible personal property or the sale of services in Washington, as long as the products or services are not specifically exempt or sold to an exempt entity. The state sales and use tax rate is 6.5%. Additional rates are imposed by localities and the Regional Transit Authority (RTA).

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Washington Department of Revenue administers the sales and use tax.

Website: www.dor.wa.gov

Unemployment Insurance

Website: <https://esd.wa.gov>

Annual Report

All domestic and foreign corporations, LPs, and LLCs are required to file an Annual Report and pay an annual fee unless specifically exempt.

Website: www.sos.wa.gov/corps

West Virginia

www.tax.wv.gov

West Virginia State Tax Department

Taxpayer information and assistance..... 304-558-3333 or 800-982-8297

C Corporation Filing Requirements

All domestic and foreign corporations doing business in West Virginia or deriving income from property, activity, or other sources within West Virginia are subject to the Corporation Net Income Tax (CNIT).

Corporation income/tax return due date. Form CIT-120, *West Virginia Corporation Net Income Tax Return*, is due by the 15th day of the fourth month following the close of the taxable year.

Corporation income tax rate.

West Virginia corporate income tax rate.....6.5%

Corporation extension information. An extension of time to file a federal return is automatically accepted as an extension of time to file the West Virginia return. A copy of the federal extension form must be attached to the return when filed and the extended due date must be entered on the top of the return. If a federal extension has not been requested, a state extension may be obtained provided a written request is made to the West Virginia Tax Department prior to the due date of the return.

To make a payment, use Form CIT-120EXT, *West Virginia Extension Corporation Net Income Tax Return*.

S Corporation/Partnership/LLC Filing Requirements

Every corporation electing to be taxed under Subchapter S of the IRC that engages in business in West Virginia or that derives income from property, activity, or other sources in West Virginia must file a West Virginia return.

The following partnerships are required to file a partnership return: (a) resident partnerships, (b) nonresident partnerships having a partner who is a resident of West Virginia, or (c) nonresident partnerships having any income from or connected with West Virginia sources regardless of the amount.

A limited liability company which is treated like a partnership for federal income tax purposes will also be treated as such for West Virginia income tax purposes. If it is not treated like a partnership, it will be taxed as a C corporation unless it elects to be taxed under Subchapter S of the IRC.

S corporation/partnership/LLC income tax return due date. Form PTE-100, *West Virginia Income Tax Return S Corporation & Partnership (Pass-Through Entity)*, is due by the 15th day of the third month following the close of the taxable year.

S corporation/partnership/LLC extension information. A federal extension of time to file will automatically extend the time for filing the West Virginia return for the same period. A copy of the federal extension must be attached to the return.

If a federal extension has not been requested, or if the partnership or S corporation expects to owe nonresident withholding tax, file Form PTE-100EXT, *Extension of Time to File Information Returns*.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

Sales tax is applied to the gross receipts of all retail sales, including selling, leasing, and renting of tangible personal property or the sale of services in West Virginia, as long as the products or services are not specifically exempt or sold to an exempt entity. The state sales and use tax rate is 6%. Additional municipal tax may also apply.

Excise tax. West Virginia imposes excise taxes on certain products. Excise taxes are normally paid by manufacturers or distributors of these products.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The West Virginia State Tax Department administers the sales and use tax and excise taxes.

Website: <https://tax.wv.gov/Business/SalesAndUseTax>

Unemployment Insurance

Website: www.workforcewv.org/unemployment-insurance-benefits

Annual Report

All corporations and partnerships are required to file Form BAR-O, *West Virginia Business Activity Report*, with the West Virginia State Tax Department if they carry on any business activity or own or maintain property in West Virginia during the year, unless specifically exempt. An entity is exempt if it is registered to do business in West Virginia, filed a tax return for any taxes administered by the Department, or if the organization or its activities are expressly exempted from taxation.

Website: www.tax.wv.gov

Business Registration

An annual registration with the Secretary of State is required for domestic and foreign corporations, LPs, and LLCs, unless specifically exempt.

Website: <https://sos.wv.gov>

Wisconsin

www.revenue.wi.gov

Wisconsin Department of Revenue

Taxpayer information and assistance..... 608-266-2772

C Corporation Filing Requirements

Every corporation organized under the laws of Wisconsin or licensed to do business in Wisconsin (unless exempt) is required to file a Wisconsin corporate franchise or income tax return, regardless of whether or not business was transacted. Unlicensed corporations are also required to file returns for each year they do business or have certain business activities in Wisconsin.

Corporation income tax return due date. Form 4, *Wisconsin Non-Combined Corporation Franchise or Income Tax Return*, is due by the 15th day of the fourth month following the close of the taxable year.

Corporation income tax rate.

Wisconsin corporate income tax rate 7.9%

Corporations filing Form 4 may also be subject to the economic development surcharge if gross receipts from all activities are \$4 million or more. The surcharge is the greater of \$25 or 3% of the corporation's franchise or income tax, but not more than \$9,800.

Corporation extension information. Any extension allowed by the IRS for filing the federal return automatically extends the Wisconsin due date to 30 days after the federal extended due date. A copy of the federal extension must be attached to the final return when filed.

If a federal extension is not requested, Wisconsin allows an automatic extension of seven months, or until the original due date of the corporation's corresponding federal return, whichever is later.

Use Form Corp-ES, *Corporation Estimated Tax Voucher*, to make a payment.

S Corporation Filing Requirements

S corporations use Form 5S, *Wisconsin Tax-Option (S) Corporation Franchise or Income Tax Return*, to report their income, gains, losses, deductions, and credits and to compute their franchise tax, built-in gains tax, and economic development surcharge liability. See *C Corporation Filing Requirements*, page 34-33.

S corporation income tax return due date. Form 5S, *Wisconsin Tax-Option (S) Corporation Franchise or Income Tax Return*, is due by the 15th day of the third month following the close of the taxable year.

S corporation income tax rate. A franchise tax is imposed on interest income attributable to Wisconsin at a rate of 7.9%. S corporations may also be subject to the economic development surcharge if gross receipts from all activities are \$4 million or more. The surcharge is the greater of \$25 or 0.2% of the net income as allocated or apportioned to Wisconsin, but not more than \$9,800.

Electing out of Wisconsin tax-option treatment. A corporation that is an S corporation for federal tax purposes may elect not to be an S corporation for Wisconsin tax purposes. To make the election, the corporation must file Wisconsin Form 5E, *Election by an S Corporation Not to Be Treated as a Tax-Option Corporation*. A corporation that has made the election must file Form 4 for Wisconsin rather than Form 5S. Since the corporation will be filing Form 1120-S for federal purposes, special adjustments may be required to properly determine Wisconsin net income.

S corporation extension information. S corporations follow the same rules as C corporations. See *Corporation extension information*, above.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Partnership/LLC Filing Requirements

Every partnership and limited liability company treated as a partnership with income from Wisconsin sources, regardless of the amount, must file Form 3, *Wisconsin Partnership Return*.

Single-member LLCs that are disregarded entities for federal purposes are not required to file Form 3. The member is required to include the income and expenses of the LLC on the member's return.

Partnership/LLC income tax return due date. Form 3, *Wisconsin Partnership Return*, is due by the 15th day of the third month following the close of its taxable year.

Partnership/LLC extension information. Any extension allowed by the IRS for filing the federal return automatically extends the Wisconsin due date by the same extension period, provided a copy of the federal extension is attached to the Wisconsin return.

Use Form 3-ES, *Wisconsin Partnership Estimated Tax Voucher*, to make a payment.

Pass-through entity election. See *Pass-Through Entity (PTE) Election* chart, page 34-35.

Sales and Use Tax

Sales tax is imposed on retailers who make taxable retail sales, licenses, leases, or rentals of products in Wisconsin (unless exempt) including tangible personal property, coins and stamps, services and certain digital goods. Use tax is the counterpart of sales tax and must be paid when Wisconsin sales tax is not charged and no exemption applies.

The state sales tax rate is 5%. Some cities and counties impose an additional local sales tax.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Wisconsin Department of Revenue administers the sales and use tax.

Website: www.revenue.wi.gov

Unemployment Insurance

Website: <https://dwd.wisconsin.gov/ui>

Biennial Registration Fee

The State of Wisconsin imposes the *Business Tax Registration* (BTR) fee on all types of entities, including state and local government agencies. The initial registration fee is \$20, and the renewal fee is \$10 regardless of the number of locations. The Wisconsin Department of Revenue mails a notice of amount due for renewal and a Business Tax Registration (BTR) Certificate which shows the new expiration date and lists all permits or certificates the business holds with the department.

Wyoming

<https://revenue.wyo.gov>

Wyoming Department of Revenue

Taxpayer information and assistance 307-777-5200

Business Filing Requirements

The state of Wyoming does not have a personal income tax, a corporate income tax, or a tax on intangible assets.

Sales and Use Tax

Sales tax is applied to the gross receipts of all retail sales, including selling, leasing, and renting of tangible personal property or the sale of services in Wyoming, as long as the products or services are not specifically exempt or sold to an exempt entity. Cities, towns, and counties may also impose a local sales and use tax. Statewide sales tax is 4%.

Sales tax—remote sellers. See *Sales Tax—Remote Sellers*, page 34-36.

Contact information. The Wyoming Department of Revenue administers the sales and use tax.

Website: <http://revenue.wyo.gov>

Unemployment Insurance

Website: <https://wyui.wyo.gov>

Pass-Through Entity (PTE) Election

| State | PTE Election | Individual Member's Tax Treatment | Notes |
|--|--------------|--|---|
| <i>Note:</i> The election is made on an annual basis unless noted. | | | |
| Alabama | Yes | Refundable credit. | <ul style="list-style-type: none"> The election is binding for the current year and all subsequent years unless the entity properly elects to no longer be taxed as an electing PTE. |
| Alaska | No | n/a | <ul style="list-style-type: none"> No personal income tax. |
| Arizona | Yes | Nonrefundable credit with 5-year carryover. | |
| Arkansas | Yes | Subtraction. | |
| California | Yes | Nonrefundable credit with 5-year carryover. | <ul style="list-style-type: none"> The PTE election may not be made if the initial payment is not made by June 15 of the election year. |
| Colorado | Yes | Refundable credit. | |
| Connecticut | Yes | Refundable credit equal to 87.5% of member's share of tax liability. | <ul style="list-style-type: none"> Pass-through entity tax is optional starting January 1, 2024 (mandatory in prior years). |
| Delaware | No | n/a | |
| District of Columbia | No | n/a | <ul style="list-style-type: none"> There is no election available for D.C., however, residents may claim a credit for taxes paid by a PTE to another state. |
| Florida | No | n/a | <ul style="list-style-type: none"> No personal income tax. |
| Georgia | Yes | Subtraction. | |
| Hawaii | Yes | Nonrefundable credit, unlimited carryover. | |
| Idaho | Yes | Refundable credit. | |
| Illinois | Yes | Refundable credit. | |
| Indiana | Yes | Refundable credit. | |
| Iowa | Yes | Refundable credit. | |
| Kansas | Yes | Refundable credit. | |
| Kentucky | Yes | Refundable credit. | |
| Louisiana | Yes | Subtraction. | <ul style="list-style-type: none"> Once made, the election is effective until terminated. |
| Maine | No | n/a | |
| Maryland | Yes | Refundable credit. | |
| Massachusetts | Yes | Refundable credit equal to 90% of member's share of tax paid. | |
| Michigan | Yes | Refundable credit. | <ul style="list-style-type: none"> The election is effective for the tax year in which it is made and for each of the next two successive tax years. |
| Minnesota | Yes | Refundable credit. | |
| Mississippi | Yes | Refundable credit or nonrefundable with carryover. | <ul style="list-style-type: none"> Once made, the election is effective until revoked. |
| Missouri | Yes | Nonrefundable credit, unlimited carryover. | |
| Montana | Yes | Refundable credit. | |
| Nebraska | Yes | Refundable credit. | <ul style="list-style-type: none"> The PTE election is retroactively available for tax years beginning on or after January 1, 2018. |
| Nevada | No | n/a | <ul style="list-style-type: none"> No personal income tax. |
| New Hampshire | No | n/a | |
| New Jersey | Yes | Refundable credit. | |
| New Mexico | Yes | Subtraction. | |
| New York (state) | Yes | Refundable credit. | |
| New York City | Yes | Refundable credit. | <ul style="list-style-type: none"> The entity must have opted in to the New York State PTE for the same tax year. |
| North Carolina | Yes | Subtraction. | |
| North Dakota | No | n/a | |
| Ohio | Yes | Refundable credit. | |
| Oklahoma | Yes | Subtraction. | <ul style="list-style-type: none"> Election is binding until revoked by the PTE or the Oklahoma Tax Commission. |

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Pass-Through Entity (PTE) Election continued

| State | PTE Election | Individual Member's Tax Treatment | Notes |
|----------------|--------------|---|--|
| Oregon | Yes | Refundable credit. | |
| Pennsylvania | No | n/a | |
| Rhode Island | Yes | Refundable credit. | • Eligible PTEs include single-member LLCs and sole proprietorships that are not taxed as corporations for federal tax purposes. |
| South Carolina | Yes | Subtraction. | |
| South Dakota | No | n/a | • No personal income tax. |
| Tennessee | No | n/a | • No personal income tax. |
| Texas | No | n/a | • No personal income tax. |
| Utah | Yes | Nonrefundable credit with 5-year carryover. | |
| Vermont | No | n/a | |
| Virginia | Yes | Refundable credit. | |
| Washington | No | n/a | • No personal income tax. |
| West Virginia | Yes | Nonrefundable credit with 5-year carryover. | |
| Wisconsin | Yes | Subtraction. | |
| Wyoming | No | n/a | • No personal income tax. |

Sales Tax—Remote Sellers

| State | Effective/ Revised Date | Remote Seller Threshold | Testing Period | SSTRS Member* | Website |
|----------------------|----------------------------|--|---|------------------|---|
| Alabama | October 1, 2018 | • \$250,000 in total retail sales. | Preceding calendar year. | No | https://revenue.alabama.gov/sales-use/simplified-sellers-use-tax-ssut/ |
| Alaska | January 1, 2025 | • \$100,000 in gross sales. | Preceding or current calendar year. | No | https://arsstc.org/business-sellers/ |
| Arizona | October 1, 2019 | • Annual gross retail sales greater than \$100,000. | Preceding or current calendar year. | No | https://azdor.gov/transaction-privilege-tax/retail-sales-subject-tpt/out-state-sellers |
| Arkansas | July 1, 2019 | • More than \$100,000 in sales, or • More than 200 transactions. | Preceding or current calendar year. | Full member | https://www.dfa.arkansas.gov/excise-tax/sales-and-use-tax/remote-sellers |
| California | April 1, 2019 | • More than \$500,000 of retail sales. | Preceding or current calendar year. | No | https://www.cdtfa.ca.gov/industry/wayfair.htm |
| Colorado | December 1, 2018 | • More than \$100,000 of retail sales. | Preceding calendar year. | No | https://tax.colorado.gov/out-of-state-businesses |
| Connecticut | July 1, 2019 | • \$100,000 or more of gross receipts, and • 200 or more transactions. | Preceding 12-month period ending on September 30. | No | https://portal.ct.gov/DRS/Sales-Tax |
| Delaware | n/a | n/a | n/a | n/a | No state sales tax. |
| District of Columbia | January 1, 2019 | • More than \$100,000 of retail sales, or • More than 200 separate retail transactions. | Preceding or current calendar year. | No | https://otr.cfo.dc.gov/page/sales-and-use-tax-faqs |
| Florida | July 1, 2021 | • More than \$100,000 in total sales. | Preceding calendar year. | No | https://floridarevenue.com/taxes/tips/Documents/TIP_21A01-03.pdf |
| Georgia | January 1, 2020 | • More than \$100,000 in retail sales, or • 200 or more separate retail transactions. | Preceding or current calendar year. | Full member | https://dor.georgia.gov/sales-use-tax |
| Hawaii | July 1, 2018 | • \$100,000 or more in gross receipts, or • 200 or more transactions. | Preceding or current calendar year. | No | https://tax.hawaii.gov/geninfo/get/ |
| Idaho | June 1, 2019 | • More than \$100,000 in total sales. | Preceding or current calendar year. | No | https://tax.idaho.gov/taxes/sales-use/-online-guide/ |

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Sales Tax—Remote Sellers continued

| State | Effective/ Revised Date | Remote Seller Threshold | Testing Period | SSTRS Member* | Website |
|----------------|----------------------------|--|--|------------------|---|
| Illinois | January 1, 2021 | <ul style="list-style-type: none"> \$100,000 or more in gross receipts, or 200 or more separate transactions. | Preceding 12-month period. | No | https://tax.illinois.gov/research/taxinformation/sales/level-the-playing-field.html |
| Indiana | January 1, 2024 | <ul style="list-style-type: none"> More than \$100,000 in gross revenue. | Preceding or current calendar year. | Full member | https://www.in.gov/dor/i-am-a/business-corp/remote-sellers/ |
| Iowa | January 1, 2019 | <ul style="list-style-type: none"> \$100,000 or more in gross revenue. | Preceding or current calendar year. | Full member | https://tax.iowa.gov/remote-sellers |
| Kansas | July 1, 2021 | <ul style="list-style-type: none"> More than \$100,000 in gross receipts. | Preceding or current calendar year. | Full member | https://www.ksrevenue.org/bustaxtypesales.html |
| Kentucky | July 1, 2018 | <ul style="list-style-type: none"> \$100,000 or more in gross receipts, or 200 or more transactions. | Preceding or current calendar year. | Full member | https://revenue.ky.gov/Business/Sales-Use-Tax/Pages/default.aspx |
| Louisiana | July 1, 2020 | <ul style="list-style-type: none"> More than \$100,000 in sales, or 200 or more transactions. | Preceding or current calendar year. | No | https://remotesellers.louisiana.gov/ |
| Maine | July 1, 2018 | <ul style="list-style-type: none"> More than \$100,000 in gross receipts, or 200 or more in sales. | Preceding or current calendar year. | No | https://www.maine.gov/revenue/taxes/sales-use-service-provider-tax/guidance-documents/remote-sellers |
| Maryland | October 1, 2018 | <ul style="list-style-type: none"> More than \$100,000 in gross receipts, or 200 or more in sales. | Preceding or current calendar year. | No | https://www.marylandtaxes.gov/business/sales-use/index.php |
| Massachusetts | October 1, 2019 | <ul style="list-style-type: none"> More than \$100,000 in sales. | Preceding or current calendar year. | No | https://www.mass.gov/sales-and-use-tax-for-businesses |
| Michigan | October 1, 2018 | <ul style="list-style-type: none"> More than \$100,000 in sales, or 200 or more transactions. | Preceding calendar year. | Full member | https://www.michigan.gov/taxes/business-taxes/sales-use-tax/resources/sales-and-use-tax-information-for-remote-sellers |
| Minnesota | October 1, 2019 | <ul style="list-style-type: none"> More than \$100,000 or more retail sales, or 200 or more retail sales. | Prior 12-month period. | Full member | https://www.revenue.state.mn.us/sales-tax-faqs-remote-sellers |
| Mississippi | September 1, 2018 | <ul style="list-style-type: none"> More than \$250,000 in total sales. | Prior 12-month period. | No | www.dor.ms.gov/business/sales-and-use-tax |
| Missouri | January 1, 2023 | <ul style="list-style-type: none"> More than \$100,000 of taxable sales. | Preceding or current calendar year. | No | https://dor.mo.gov/taxation/business/tax-types/sales-use/ |
| Montana | n/a | n/a | n/a | n/a | No sales tax. |
| Nebraska | January 1, 2019 | <ul style="list-style-type: none"> More than \$100,000 sales, or 200 or more separate transactions. | Preceding or current calendar year. | Full member | https://revenue.nebraska.gov/businesses/sales-and-use-tax/information-remote-sellers-and-marketplace-facilitators |
| Nevada | October 1, 2018 | <ul style="list-style-type: none"> More than \$100,000 of retail sales, or 200 or more separate transactions. | Preceding or current calendar year. | Full member | https://tax.nv.gov/FAQs/Remote-Sellers/ |
| New Hampshire | n/a | n/a | n/a | n/a | No sales tax. |
| New Jersey | November 1, 2018 | <ul style="list-style-type: none"> More than \$100,000 in gross revenue, or 200 or more separate transactions. | Preceding or current calendar year. | Full member | https://www.nj.gov/treasury/taxation/remotesellers.shtml |
| New Mexico | July 1, 2019 | <ul style="list-style-type: none"> \$100,000 or more in taxable gross receipts. | Preceding calendar year. | No | www.tax.newmexico.gov/businesses/gross-receipts-overview/ |
| New York | June 21, 2018 | <ul style="list-style-type: none"> More than \$500,000 of gross receipts, and More than 100 sales of tangible personal property. | Immediately preceding four sales tax quarters. | No | https://www.tax.ny.gov/bus/st/stdix.htm |
| North Carolina | January 1, 2024 | <ul style="list-style-type: none"> More than \$100,000 of gross sales. | Preceding or current calendar year. | Full member | https://www.ncdor.gov/taxes-forms/sales-and-use-tax/remote-sales |
| North Dakota | July 1, 2019 | <ul style="list-style-type: none"> More than \$100,000 of taxable sales. | Preceding or current calendar year. | Full member | https://www.tax.nd.gov/business/sales-and-use-tax |

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Sales Tax—Remote Sellers continued

| State | Effective/ Revised Date | Remote Seller Threshold | Testing Period | SSTRS Member* | Website |
|-----------------------|----------------------------|---|-------------------------------------|------------------|---|
| Ohio | August 1, 2019 | <ul style="list-style-type: none"> • More than \$100,000 of gross sales, or • 200 or more transactions. | Preceding or current calendar year. | Full member | https://tax.ohio.gov/business/ohio-business-taxes/sales-and-use/out-of-state-sellers |
| Oklahoma | November 1, 2019 | <ul style="list-style-type: none"> • \$100,000 or more sales of taxable merchandise. | Preceding or current calendar year. | Full member | https://oklahoma.gov/tax/helpcenter/businesses.html?q=BUSMRK1 |
| Oregon | n/a | n/a | n/a | n/a | No sales tax. |
| Pennsylvania | July 1, 2019 | <ul style="list-style-type: none"> • More than \$100,000 of gross sales. | Previous 12 months. | No | www.revenue.pa.gov/TaxTypes/SUT/OnlineRetailers/Pages/default.aspx |
| Rhode Island | July 1, 2019 | <ul style="list-style-type: none"> • \$100,000 or more of gross revenue from sales, or • 200 or more separate transactions. | Preceding calendar year. | Full member | https://tax.ri.gov/tax-sections/sales-excise/remote-sellers |
| South Carolina | November 1, 2018 | <ul style="list-style-type: none"> • More than \$100,000 of gross revenue. | Preceding or current calendar year. | No | https://dor.sc.gov/remotesellers |
| South Dakota | November 1, 2018 | <ul style="list-style-type: none"> • More than \$100,000 of gross revenue from sales. | Preceding or current calendar year. | Full member | https://dor.sd.gov/businesses/taxes/sales-use-tax/#remote |
| Tennessee | October 1, 2020 | <ul style="list-style-type: none"> • \$100,000 or more in retail sales. | Previous 12-month period. | Associate member | https://www.tn.gov/revenue/taxes/sales-and-use-tax/out-of-state-dealers-marketplace-facilitators.html |
| Texas | October 1, 2019 | <ul style="list-style-type: none"> • \$500,000 or more of gross revenue. | Preceding 12 calendar months. | No | https://comptroller.texas.gov/taxes/sales/remote-sellers.php |
| Utah | January 1, 2019 | <ul style="list-style-type: none"> • More than \$100,000 of gross revenue, or • 200 or more separate transactions. | Preceding or current calendar year. | Full member | https://tax.utah.gov/sales/remote-sellers |
| Vermont | July 1, 2018 | <ul style="list-style-type: none"> • \$100,000 or more of sales, or • 200 or more separate transactions. | Preceding 12-month period. | Full member | https://tax.vermont.gov/business-and-corp/sales-and-use-tax/wayfair |
| Virginia | July 1, 2019 | <ul style="list-style-type: none"> • More than \$100,000 of gross retail sales, or • 200 or more separate transactions. | Preceding or current calendar year. | No | https://www.tax.virginia.gov/remote-sellers-marketplace-facilitators-economic-nexus |
| Washington | January 1, 2020 | <ul style="list-style-type: none"> • More than \$100,000 of gross receipts. | Preceding or current calendar year. | Full member | https://dor.wa.gov/find-taxes-rates/retail-sales-tax/marketplace-fairness-leveling-playing-field |
| West Virginia | January 1, 2019 | <ul style="list-style-type: none"> • More than \$100,000 of gross sales, or • 200 or more sales transactions. | Preceding or current calendar year. | Full member | https://tax.wv.gov/Business/SalesAndUseTax/Ecommerce/Pages/ECommerceAndWestVirginiaTax.aspx |
| Wisconsin | February 20, 2021 | <ul style="list-style-type: none"> • More than \$100,000 of sales. | Preceding or current calendar year. | Full member | https://www.revenue.wi.gov/Pages/Businesses/remote-sellers.aspx |
| Wyoming | July 1, 2024 | <ul style="list-style-type: none"> • More than \$100,000 of gross revenue. | Preceding or current calendar year. | Full member | https://excise-tax-div.wyo.gov/salesuselodging-tax |

* **Streamlined Sales Tax Registration System (SSTRS)**. The SSTRS is a convenient way to register for a sales and use tax account in all member states. <https://www.streamlinedsalestax.org>