

**STATE OF VERMONT DEPARTMENT OF
TAXES**

SCAN SUBSTITUTE FORMS

For

CORPORATE & BUSINESS INCOME



2025 TAX YEAR

Table of Contents

SUBSTITUTE FORMS - GENERAL	3
List of Corporate and Business Income Tax forms	3
Form Changes for TY 2025	3
Subsets	10
SUBSTITUTE FORMS SPECIFICATIONS	11
VARIABLE DATA	11
Data Placement	11
Font	11
DATA PARAMETERS	11
SUBMITTING FORMS FOR APPROVAL	12
CONTACT INFORMATION	12
MAILING COMPLETED RETURNS	13
SCAN SPECIFICATIONS	13
Shading	13
Barcode	13
Vendor Codes	13

SUBSTITUTE FORMS- GENERAL

List of forms being scanned for the 2025 tax year:

BA-402	BA-403	BA-404	BA-406	BA-410	CO-411	CO-414
CO-419	CO-420	BI-477	CO-422	WH-435	BI-470	BI-471
BI-472	BI-473	BI-476	K-1VT			

2025 VERMONT CORPORATE AND BUSINESS INCOME TAX CHANGES

***For complete legislative highlights go to <http://tax.vermont.gov>

FORM BI-470

Form changes to include:

FORM BI-471

NOTE: You are eligible to file BI-476 if you answered question A and B as “No.”

Form changes to include:

- Remove previous line B
- New line B will read “During the tax year, were any shareholders, partners, or members: a C corporation, an S corporation, a partnership, or a limited liability company?”

“IF YOU ANSWERED “NO” TO BOTH QUESTIONS A AND B THIS ENTITY SHOULD FILE BI-476 INSTEAD OF BI-471.”

- Remove old line C
- Old line D is new line C
- Old line E is new line D
- Old line F is new line E
- New line F will read “How many are a C corporation, an S corporation, a partnership, or a limited liability company?”
- Line 2b now references Lines 29 through 31 on the K1-VT instead of Lines 11 and 12.
- Line 10 will now reference “(Schedule K-1VT, Line 31)”
- Line 12 will now reference “(Schedule K-1VT, Line 30)”

SCHEDULE BI-472

Form changes to include:

SCHEDULE BI-473

Form changes to include:

- Line 1 will now reference “(Schedule BI-477, Line 28)”

Instructional changes to include:

- Line 10 will now reference “Schedule BA-404, Line 10”

SCHEDULE BI-477

BI-477 must be attached if there is a BI-472 or BI-473

Form changes to include:

New form title “BI-477- Vermont Income Adjustment Calculation: Pass-Through Vermont Sourcing”

- New question and checkboxes added for “Was the pass-through's activity conducted entirely within Vermont during the tax year?”

Was the pass-through activity conducted entirely within Vermont during the tax year? ☐ Yes ☐ No

Remove Section 1 from title PASS-THROUGH PERSONAL INCOME ADJUSTMENT CALCULATION

Part I will now read “Pass-through Non-Appportionable Income”

- Old line 6 is new line 3
- Old line 11 is new line 4
- Old line 3 is new line 5
- Old line 4 is new line 6
- Old line 5 is new line 7
- Old line 7 is new line 8
- New line 9 will read “Recharacterization of Income to/from Part III”
- New line 10 will read “Total Non-Appportionable Income before Vermont Adjustments (Add Lines 1 through 9)”

Part II will now read “Vermont Adjustment to Non-Appportionable Income”

- Old line 8 is new line 11
- Old line 9 is new line 12

Remove old Part III

- Removed previous line 10

Old Part IV is new Part III and will read “Pass-through Appportionable income”

- Old Line 20 is new line 13 and update reference “(Schedule A, Line 45)”
- Add Column B “Vermont” portion to all lines in Part III
- Old line 12 is new line 14
- Old line 13 is new line 15 and will read “Interest Income”
- Old line 14 is new line 16 and will read “Dividend Income”
- Old line 15 is new line 17
- Old line 16 is new line 18
- New line 19 will read “Other Deductions (Specify)”
- New line 20 will read “Recharacterization of Income to/from Part I
- Old line 19 is new line 21 and will read “Total Appportionable Income (before Vermont Adjustments) Add Lines 14 through 20
- Removed old line 21, this value will now be located in new line 21 column B

New Part IV will read “Vermont Adjustments to Apportionable Income”

- Add Column B “Vermont” portion to both lines of Part IV
- Old line 17 is new line 22
- Old line 18 is new line 23

Part V will now read “Complex Structures: Distributive share of Separate Source income and adjustments from lower-tier Pass-throughs (No Unitary Relationship)”

- Old line 22 is new line 24
- Old line 23 is new line 25 and will read “Vermont Adjustments from lower-tier partnerships/PTE”

Part VI Income Adjustment

- Old line 24 is new line 26 and will read “Federal Total (ADD Lines 10A, 21A, and 24A)”
- Remove previous line 25
- Remove previous line 26
- Remove previous line 27
- Remove previous line 28
- Old line 29 is new line 27 and will read “Total Vermont Adjustments (everywhere)(ADD Lines 11A,12A, 22A, 23A, and 25A)”
- Old line 30 is new line 28 and will read “Federal Adjusted Gross Income Equivalent from federal Form 1120-S or federal Form 1065, Sch. K with Vermont adjustments (ADD lines 26 and 27)”
- New line 29 will read “Vermont Sourced Total (ADD Lines 10B, 21B, and 24B)”
- New line 30 will read “Total Vermont Adjustments (Vermont) (ADD Lines 11B, 12B, 22B, 23B, and 25B)”
- Line 31 will now read “Vermont Income with Vermont Adjustments (ADD lines 29 and 30)”
- Line 32 will now read “Income Adjustment % (**DIVIDE line 31 by line 28. MULTIPLY the result by 100 and carry the result out to the sixth decimal place.) Also enter on Schedule BI-473, Line 2**”

Section 2 will now read “Schedule A”

- New line 42, which will include Column A and Column B, will read “Total Gross Receipts for filing entity (Add Lines 33 through 41)”
- Old line 42 is new line 43
- Old line 43 is new line 44 and will read “Total Gross Receipts (**ADD Lines 42 and 43**)”
- Old line 44 is new line 45 and will read “Vermont Gross Receipt factor (**DIVIDE Line 44B by 44A. MULTIPLY the result by 100 and carry the result out to the sixth decimal place.**)”

Section 3 will now read “Schedule B”

- Old line 45 is new line 46

Part IX

- Old line 46 is new line 47

- Old line 47 is new line 48
- Old line 48 is new line 49
- Old line 49 is new line 50
- Old line 50 is new line 51
- Old line 51 is new line 52
- Old line 52 is new line 53 and will read "Total PROPERTY (**ADD lines 47 through 52**)"

FORM BI-476

Form changes to include:

- Remove previous line B
- New Line B will read "During this reporting tax year, were any shareholders, partners, or members: a C corporation, an S corporation, a partnership, or a limited liability company?" "If Yes to either question, STOP and complete Form BI-471, Business Income Tax Return."

Insert new subsection "Vermont Adjustments"

(everywhere values) before subsection "Tax Computation"

- New line 1 will read "Bonus depreciation adjustment"
- New line 2 will read "Other Additions (include statement)"
- New line 3 will read "Other Subtractions (include statement)"

FOR TRUST PARTNERS ONLY

- New line 4 SALT Add-Back

IF ANY VALUE REPORTED ON LINES 1-4 ABOVE, PLEASE DISTRIBUTE SHARE OF ADJUSTMENT TO PARTNERS USING SCHEDULE K-1VT AND ATTACH COPY TO FORM BI-476

- Immediately below subsection title "TAX COMPUTATION" add "check box if exception to minimum tax applies: Investment Club §5921 (\$0), IRC §761 (\$0)" (as illustrated below)

TAX COMPUTATION (see instructions)

Check box if exception to minimum tax applies:	<input type="checkbox"/> INVESTMENT CLUB § 5921 (\$0)	<input type="checkbox"/> I.R.C. § 761 (\$0)
--	---	---

- Old line 1 is new line 5 and will read "Vermont minimum entity tax." Removed "NOTE: If you qualify for an exception to the Vermont minimum entity tax, you must complete Form BI-471 and attach supporting documentation," and removed hard coded \$250 from form.
- Old line 2 is new line 6
- Old line 3 is new line 7 and will read "Balance Due (If Line 5 is greater than Line 6, Line 5 MINUS Line 6)"
- Old line 4 is new line 8 and will read "Overpayment (If Line 6 is greater than Line 5, Line 6 MINUS line 5)"
- Old line 5 is new line 9
- Old line 6 is new line 10

SCHEDULE K-1VT

Form changes to include:

- New checkbox in header information “Special Allocations (see instructions)”

	<input type="checkbox"/> Resident
	Special Allocations (see instructions) <input type="checkbox"/>

- Line 1 now reads “Capital/Ownership percentage”
- New line 4 will read “Distributive share percentage (see instructions)”
- Old line 4 is new line 5 with addition of a line to “Provide FEIN or SSN”

5. Disregarded entity (single-member LLC or Qualified Subchapter S subsidiary)?

Provide FEIN or SSN

- Remove previous line 5
- New line 6 will read “Is this partner a member of a complex structure (see instructions)?”
- Old line 6 is new line 7

Part II now reads “Distributive Share of Vermont Adjustments”

- Add Column A “Everywhere”
- Add Column B “Vermont”
- Remove previous line 7
- Remove previous line 8
- New line 8a will read “Bonus depreciation adjustment (apportionable items)”
- New line 8b will read “Bonus depreciation adjustment (non-apportionable items)”
- Remove previous line 9
- New line 9 will read “Other Additions (include statement)”
- New line 10 will read “Other Subtractions (include statement)”

FOR TRUST, CORPORATE, AND PASS-THROUGH PARTNERS ONLY:

- Remove previous line 11
- New line 11a will read “SALT Add-back (apportionable items)”
- New line 11b will read “SALT Add-back (non-apportionable items)”

New Part III will read Distributive Share of Vermont Source Income

- Add Column A “Everywhere”
- Add Column B “Vermont”
- New line 12 will read “Ordinary business income (loss)”
- Remove previous line 13
- New line 13 will read “Net rental real estate income (loss)”
- Remove previous line 14
- New line 14 will read “Other net rental income (loss)”
- Remove previous line 15
- New line 15a will read “Guaranteed payments for services”
- New line 15b will read “Guaranteed payments for capital”
- New line 16 will read “Interest income”

- New line 17 will read “Ordinary Dividends”
- New line 18 will read “Royalties”
- New line 19 will read “Net short-term capital gain (loss)”
- New line 20 will read “Net long-term capital gain (loss)”
- New line 21 will read “Net IRC §1231 gain (loss)”
- New line 22 will read “Other income (loss)(include statement)”
- New line 23 will read “I.R.C. §179 expense deduction”
- New line 24 will read “Other expense deductions (include statement)”
- New line 25 will read “Recharacterized income to/from Part III”
- New line 26 will read “Recharacterized income to/from Part I”
- New line 27 will read “Total distributive share (see instructions)”

Part IV will read “Other Distributions to Owners”

- Old Line 10 is new line 28 and will read “Exempt Income - Vermont income not characterized as Unrelated Business Income (UBI) for federal purposes (tax-exempt entities only).”
- New line 29 will read “Vermont income tax withheld on behalf of owner”
- New line 30 will read “Vermont income tax withheld by a lower-tier pass-through entity”
- Old line 12 is new line 31 and will read “Total Vermont annual real estate withholding payments withheld on behalf of owner”
- New line 32 will read “Total Vermont composite income tax paid on behalf of owner”
- New line 33 will read “Capital gain eligible for exclusion”

Part V will read “OWNER'S DISTRIBUTIVE SHARE OF VERMONT SALES AND RECEIPTS FACTOR (CORPORATE AND PASS-THROUGH ENTITY OWNERS)”

- Add Column A “Everywhere”
- Add Column B “Vermont”
- New line 34 will read “Total gross receipts”

Part VI will read “REPORTING OWNER'S DISTRIBUTIVE SHARE OF OTHER APPORTIONMENT FACTORS (CORPORATE AND PASS-THROUGH ENTITY OWNERS)”

- Old line 16 is new line 35
- Old line 17 is new line 36

Part VII will read “COMPLEX STRUCTURES: DISTRIBUTIVE SHARE OF SEPARATE SOURCE INCOME AND ADJUSTMENTS FROM LOWER-TIER PASS-THROUGHS WITH NO UNITARY RELATIONSHIP

- Add Column A “Everywhere”
- Add Column B “Vermont”
- New line 37 will read “Lower-Tier Separate Source Income (see instructions)”
- New line 38 will read “Vermont Adjustments for Separate Source Income (see instructions)”

Part VIII will read “Other Information Provided By Pass-Through”

- New line 39 will read “Additional information”

- New line 40 will read “Additional information”
- New line 41 will read “Additional information”
- New line 42 will read “Additional information”
- New line 43 will read “Additional information”

SCHEDULE BA-402

Form changes to include:

FORM BA-403

Form changes to include:

SCHEDULE BA-404

Form changes to include:

- Removed old line 5
- Old line 6 is new line 5
- Old line 7 is new line 6
- Old line 8 is new line 7
- Old line 9 is new line 8
- Old line 10 is new line 9
- Old line 11 is new line 10

SCHEDULE BA-406

Form changes to include:

- Removed old line 5
- Old line 6 is new line 5
- Old line 7 is new line 6
- Old line 8 is new line 7
- Old line 9 is new line 8
- Old line 10 is new line 9
- Old line 11 is new line 10

Instructional changes to include:

- Total of all credits earned is now line 10.
- Updated “NOTE: The Investment Tax Credits...” now reference line 8 and 9

SCHEDULE BA-410

Form changes to include:

Corporate Income Tax Return Changes

All forms, vouchers, and schedules have been updated to align with new accessibility regulations.

FORM CO-411

Form changes to include:

- Line 14 now references "Schedule BA-404, Column C, Line 10"

SCHEDULE CO-419

Form changes to include:

SCHEDULE CO-420

Form changes to include:

FORM CO-422

Form changes to include:

FORM CO-414

Form changes to include:

FORM WH-435

Form changes to include:

Forms will be approved in subsets as indicated below. All forms in a subset must receive approval at the same time. *Example:* Form CO-411 will not receive approval until Schedules BA-410, BA-402, and BA-404 are approved.

Subsets allowed:

- 1) BA-403
- 2) CO-414
- 3) WH-435
- 4) BI-470
- 5) BI-476, BA-406*, BA-404*
- 6) BI-471, BI-472, BI-473, Sch. K-1VT, BI-477, BA-404*, BA-406*
- 7) CO-411, BA-410, BA-402, BA-404*, CO-419, CO-420
- 8) CO-422

*Schedules appearing in more than one subset must be included with each subset package submitted for approval.

Forms must be approved as a unit because our scanner cannot process "mixed-form returns"; that is, some pages of computer-generated and some pages of Department-original forms. Each taxpayer's return must be all computer-generated or all Department-original.

SUBSTITUTE FORMS SPECIFICATIONS

Substitute forms must be reproduced to match the official forms. All variable data fields must be in absolute positions and can be verified utilizing the 10 X 6 grid format. All forms that do not meet the Department's specifications will be rejected. The font size and style requirements are provided below to ensure accuracy. All pages of forms and/or schedules are required to be filed regardless of if the taxpayer is only utilizing a portion of the form.

Paper for substitute forms must be at least 20 lb. white stock and printed on 8 ½ X 11 paper. If the form/voucher is not a full page, it needs to be located at the top of the page. The form should be printed full scale with black ink. Please instruct software users of this information to ensure the Department can capture the information accurately.

VARIABLE DATA FIELDS

Data placement:

Specified as exact positions using a 10X6 grid - 10 spaces per horizontal inch and 6 lines per vertical inch. Beginning grid position and maximum length of field is given in these specifications.

Forms produced by industry should follow all Department guidance on specific field level restrictions. This includes the maximum character allowance, alpha and numeric rules, and allowance of special characters.

Font:

Courier New 12pt font for ALL data fields.

Alpha characters must be in UPPERCASE only.

Do not print any information including internal codes, date/time stamps, or distribution information, above the barcode or title of the form.

DOLLAR AMOUNTS

- All forms and schedules are whole dollar only.
- Do not use \$ signs.
- Do not use commas.
- All amount fields are right justified.
- If negative value, print minus sign "-".
- If no taxpayer entry, fields must be left blank except for hard coded zeros on form template.
 - Do not use non-numeric characters such as NONE, N/A, ZERO, etc. in the amount fields.

Percentages will be shown with the last **SIX (6)** digits on the right indicating the six digits to the right of the decimal point. If the percent does not have six digits to the right of the decimal point, add "0" to the end of the number to show these places. If the percent shows six places to the right of the decimal point, those digits are used. *Examples:*

100% = 100.000000

62.4% = 62.400000

27.8345% = 27.834500

3.575% = 3.575000

Fiscal Year Beginning and Ending dates must be printed on the forms where requested. If entity operates on a calendar year, use January 1 and December 31 as the fiscal year beginning and ending days, respectively, and use the appropriate calendar year for the return being filed.

DATES

- Date format: YYYYMMDD

SUBMITTING FORMS FOR APPROVAL

When submitting forms for approval, please submit the following:

Blank forms – An example of each substitute form reproduced by the industry containing no variable data with a barcode where applicable.

Samples - Forms recreated utilizing the test cases for all forms industry reproduces in their software. The test cases and sample data can be found on the FTA SES website. The submitted forms will not be tested if the Department's test cases are not used. If industry does not support all forms, the forms excluded need to be identified in submission.

Full-field forms – Form produced by industry demonstrating the maximum field allowance rules on all forms. The data should be specific to each field, following all specifications listed. For example, a dollar amount field should be only numerical.

Please include all test cases, blank and full field forms for review in one email. This will allow the department to promptly review and provide feedback.

For fastest processing please email completed test packet to:

MeF Coordination & Substitute Forms Team

Tax.Vendorsupport@vermont.gov

When emailing, please provide your 4-digit NACTP code and product name in the subject line of the email.

Test packages can also be mailed to:

Attn: Forms Team
Vermont Department of Taxes
133 State Street
Montpelier, VT 05633-1401

MAILING COMPLETED RETURNS

Vermont Department of Taxes
133 State Street
Montpelier, VT 05633-1401

SCAN SPECIFICATIONS

SHADING

- Should not be used on any part of the forms.

BARCODE

- This is specific to the form.
- The last two digits of the barcode represent your VT vendor number.
- Follow grid layout for positioning.

VENDOR CODES

Vermont requires your Vendor Identification Code in two locations:

- The state provides a 2-digit vendor identification code that replaces the last two digits of the barcode. The barcode provided on the forms has “00” as a place holder for this information. If you are a new vendor and need this code, please contact the Vermont Department of Taxes at tax.vendorsupport@vermont.gov
- The 4-digit identification number assigned by the National Association of Computerized Tax Processors (NACTP) should be placed on the bottom left-hand corner on each page of the form according to the 10X6 grid. If you need an NACTP ID number, please complete the form at: [NACTP Vendor ID Request](#).