

SCHEDULE CO-419 Instructions

Apportionment of Foreign Dividends (for Unitary-Combined Only)

General Information

Schedule CO-419 is used to compute the modified apportionment percentage and then the amount of foreign dividends to be included in Vermont taxable income for all taxable affiliates in the group.

Complete a Schedule CO-419 for each taxable affiliate in the combined group. If some or all members of the unitary group are electing to be treated as a consolidated filer within the unitary group, prepare one Schedule CO-419 combining the information of all included companies.

Prior to completing Schedule CO-419, first complete Schedule BA-402, Apportionment & Allocation Schedule, for each affiliate and Schedule CO-420, Foreign Dividend Factor Increments (for Unitary-Combined only), for each entity that pays dividends to the group.

- From the completed Schedule BA-402 for the same entity, enter the amounts from Lines 12a and 12b, Lines 13a and 13b, and Lines 20a and 20b to Schedule CO-419, Lines 1(A) and 1(B), 6(A) and 6(B), and 10(A) and 10(B), respectively. Make sure that the affiliate name and FEIN match on both forms.
- Complete Schedule(s) CO-420. The amounts calculated on Schedule(s) CO-420 for Section A-Sales and Receipts, Section B-Salaries and Wages, and Section C-Property must be carried to Schedule(s) CO-419.
- Schedule CO-420 is used to determine factor increments to adjust the apportionment percentage for foreign dividends. It is not required. If not prepared, the apportionment percentage applied to foreign dividends will be the same as that calculated on the taxpayer's Schedule BA-402.

If there is only one entity paying foreign dividends, and therefore a single Schedule CO-420, the increments reported on Schedule CO-419, Lines 2, 7, and 11, are carried forward from Schedule CO-420, Lines 10, 12, and 20, respectively.

If there are multiple Schedules CO-420, the increments reported will be the sums of the values of the designated lines across all Schedules CO-420 attached to the return. For example, Schedule CO-419, Line 2 would be the sum of all Schedules CO-420, Line 10 from all attached Schedules CO-420.

Line-by-Line Instructions

Line 1	Transcribe amounts from Schedule BA-402, Lines 12a and 12b.
Line 2	Enter the Sales Increment. Schedule CO-420, Line 10, or the sum of Lines 10 of all Schedules CO-420, if there are more than one.
Line 3	Add Lines 1(A) and 2(A). Enter the result here.
Line 4	Line 1(B) divided by Line 3(A). Express as a percent with six digits to the right of the decimal.
Line 5	Multiply Line 4 by 2. Express as a percent with six digits to the right of the decimal.
Line 6	Transcribe the amounts from Schedule BA-402, Lines 13a and 13b.

Line 7	Enter the Salaries and Wages Increment. Schedule CO-420, Line 12, or the sum of Lines 12 of all Schedules CO-420, if there are more than one.
Line 8	Add Lines 6(A) and 7(A). Enter the result here.
Line 9	Line 6(B) divided by Line 8(A). Express as a percent with six digits to the right of the decimal.
Line 10	Transcribe the amounts from Schedule BA-402, Lines 20a and 20b.
Line 11	Enter the Property Increment. Schedule CO-420, Line 20, or the sum of Lines 20 of all Schedules CO-420, if there are more than one.
Line 12	Add Lines 10(A) and 11(A). Enter the result here.
Line 13	Line 10(B) divided by Line 12(A). Express as a percent with six digits to the right of the decimal.
Line 14	Add Lines 5, 9, and 13, and enter the sum here.
Line 15	<p>Divide Line 14 by 4 or see the <i>note</i> below. Express as a decimal to six places.</p> <p>NOTE: If there are fewer than three factors with an “Everywhere” denominator, then divide Line 14 as follows:</p> <ul style="list-style-type: none"> • Sales/Receipts and Salaries and Wages. Divide by 3 • Sales/Receipts and Property Divide by 3 • Payroll and Property Divide by 2 • Sales/Receipts only Divide by 2 • Property OR Salaries and Wages only Divide by 1 <p>Enter the result of your calculation on Line 15 expressed as a decimal to six places. This is the modified apportionment percentage to be applied to taxable foreign dividends.</p>
Line 16	Enter the amount of taxable foreign dividends which qualify for factor relief here. This amount must agree with Schedule(s) BA-402, Part 1, Line 1c and Form CO-411, Corporate Income Tax Return, Line 4(d).
Line 17	Multiply Line 16 by the modified apportionment percentage on Line 15. This is the Vermont Foreign Dividends Taxable Income. Enter this amount here and also on Schedule BA-402, Part 1, Line 1d of this affiliate. The amount will carry forward to Form CO-411, Line 10, if this is the PVC, or Schedule CO-421, Line 5, for this affiliate, if this is an affiliate company.

Contacting the Department

Mailing address:

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

Taxpayer Services: (802) 828-5723
Email Address: tax.corporate@vermont.gov
Web site Address: <http://tax.vermont.gov>
Forms: (802) 828-2515