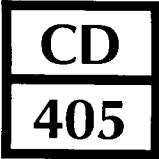


**NORTH CAROLINA**      **MULTISTATE CORPORATION**  
**FRANCHISE AND INCOME TAX RETURN**



**For use by Corporations allocating income within and without North Carolina**  
 For Calendar year 1994

or fiscal year beginning \_\_\_\_\_, 1994, ending \_\_\_\_\_

**1994**

**1994**

Franchise tax required with this return applies to ensuing income year

Indicate Change Since Prior Return:    Year End:     Name:     Address:     FID#:

Check if a — <input type="checkbox"/> Final return <input type="checkbox"/> Foreign Sales <input type="checkbox"/> Corp (FSC) <input type="checkbox"/> Affiliate of a FSC Date Incorporated _____ State of Incorporation _____ Total assets per Bal. Sheet \$ _____ Gross receipts/sales \$ _____	Name _____ Address _____ City, State and Zip Code _____ Principal place from which business is directed or managed _____ Date qualified in N. C. _____ Regular or principal trade or business everywhere _____ Regular or principal trade or business in N. C. _____ Have federal income tax returns for any prior year been examined by the IRS? <input type="checkbox"/> Yes <input type="checkbox"/> No (latest year(s) adjusted, _____) if yes, have all corresponding State returns been adjusted accordingly? <input type="checkbox"/> Yes <input type="checkbox"/> No if not adjusted, file amended returns.	Federal I.D. Number _____  DUE DATE Calendar year returns are due March 15, 1995. Fiscal year returns are due on the 15th day of 3rd month after end of income year.
---	---	--

**Schedule A—COMPUTATION OF FRANCHISE TAX**

1. Capital Stock, Surplus and Undivided Profits (From Page 2, Schedule C, Line 11 or 13) _____		
2. Investment in Tangible Property in N.C. (From Page 2, Schedule D, Line 3) _____		
3. Appraised Valuation of Property in N.C. (From Page 2, Schedule E, Line 3) _____		
<b>4. Taxable Amount (Line 1, 2, or 3 whichever is greatest)</b> _____		
5. Total Tax (\$1.50 per \$1,000 of item 4)—(Minimum \$35) _____		
6. Less: Tax Paid with Application for Extension _____		
7. Balance of Tax Due (Enter Overpayment in brackets) _____		
8. Interest (Due on all Extended Payments) _____ Penalty _____		
9. Total Franchise Tax Due (Add lines 7 and 8.) _____	Franchise	

**Schedule B—COMPUTATION OF INCOME TAX**

10. Total State net Income (From Page 5, Schedule G, Line 7) _____		
11. Less: Nonbusiness income (From Page 4, Schedule M, Line 8) _____		
12. Total business income subject to apportionment _____		
13. Apportionment factor (From Page 5, Schedule I) _____		
14. Business income Apportioned to N.C. (Multiply amount on line 12 by above factor) _____		
15. Add: Nonbusiness income - N.C. (From Page 4, Schedule M, Line 9) _____		
Tax credits claimed _____		
16. Total income allocated to N.C. _____		
17. Less: a. Percentage Depletion over Cost Depletion on N. C. Property _____		
b. Net economic loss (See instructions) (Attach Schedule) _____		
18. Total income allocated to N. C. before contributions to N. C. donees _____		
19. Less: Contributions to N. C. donees (From Page 5, Schedule H, Line 8) _____		
20. Net taxable income _____		
21. Income Tax (7.75% of line 20) _____		
22. Surtax (1% of line 21) _____		
23. Total Tax (add lines 21 & 22) _____		
24. Less Tax Credits (attach schedule) _____		
25. Net Tax Due (line 23 less line 24) _____		
26. Less: a. Tax paid with application for extension _____		
b. Tax paid with declaration of estimated tax _____		
27. Balance of tax due (Enter overpayment in brackets) _____		
28. Interest (Due on all Extended Payments) _____ Penalty _____		
29. Total Income Tax Due (Add lines 27 and 28) _____		
30. Amount of Income Tax Paid with This Return (From line 29) _____	Income	
<b>31. TOTAL TAX PAID (OVERPAID) (Line 9 plus line 30) Remit to N. C. Department of Revenue.</b> _____	<b>TOTAL</b>	
32. Amount of Overpayment Applied to 1995 Estimated Tax _____		
33. Amount of Overpayment Donated to Wildlife Fund _____		
34. Amount of Overpayment to be Refunded _____		

**AFFIRMATION OF TAXPAYER:** Under penalties prescribed by law, I hereby affirm that to the best of my knowledge and belief this return, including any accompanying schedules and statements, is true and complete. If prepared by a person other than taxpayer, his affirmation is based on all information of which he has any knowledge.

Date \_\_\_\_\_ Signature and title of officer \_\_\_\_\_ Date \_\_\_\_\_ Signature of preparer other than taxpayer \_\_\_\_\_

<b>Schedule C—CAPITAL STOCK, SURPLUS AND UNDIVIDED PROFITS</b>	
<i>(Enter amounts from balance sheet/books and records as of end of taxable year.)</i>	
1. Total capital stock outstanding less cost of treasury stock _____	
2. Paid-in or capital surplus _____	
3. Retained earnings (Earned surplus and undivided profits) _____	
4. Other surplus _____	
5. Deferred or unearned income _____	
6. Allowance for bad debts _____	
7. LIFO Reserves _____	
8. Other reserves that do not represent definite and accrued legal liabilities: _____	
9. Total (Add lines 1 through 8) _____	
10. Affiliated indebtedness: (see instructions) _____	
11. Total (Line 9 plus (or minus) items under line 10) <i>(Carry this amount to Page 1, Schedule A, Line 1, unless allocating business income to other states.)</i> _____	
Lines 12 and 13 to be completed only by corporations allocating business income to other states	
12. Apportionment percentage <i>(From Page 5, Schedule I)</i> _____	%
13. Capital stock, surplus and undivided profits apportioned to N.C. <i>(Apply above percent to amount on line 11) (Carry this amount to Page 1, Schedule A, Line 1)</i> _____	

<b>Schedule D—INVESTMENT IN TANGIBLE PROPERTY IN NORTH CAROLINA</b>						
<i>(Enter amounts from balance sheet/books and records as of end of taxable year of any property located within N.C. except in column 7. Column 7—If income year ends October 31, 1995 or November 30, 1995 show values as of January 1, 1995 otherwise show values of January 1, 1994.)</i>						
(1) County in which Located	(2)* Inventories LIFO <input type="checkbox"/> FIFO <input type="checkbox"/> Lower of Cost or market <input type="checkbox"/> Other:	(3) Furniture Fixtures, Machinery & Equipment	(4) Land & Buildings	(5) Leasehold Improvements & Other Tangible Property	(6) <b>TOTALS</b> 2 thru 5	(7) Total Appraised Value for County Property Tax, Including Motor Vehicles**
1. Totals						
2. Less: (a) Accumulated depreciation, depletion and amortization _____						
(b) Debts existing for purchase or improvement of N. C. real estate _____						
3. Investment in tangible property in N. C. <i>(Line 1 minus line 2 to Page 1, Schedule A, Line 2)</i>						

\*LIFO Values not permitted for Franchise Tax purposes.  
 \*\*Include the appraised value of all vehicles for which the county tax assessor has issued a billing during the income year.

<b>Schedule E—APPRAISED VALUATION OF PROPERTY IN NORTH CAROLINA</b>	
1. Enter 55 percent of Total of Column 7, Schedule D _____	
2. Intangible property subject to intangibles tax. (If income year ends December 31, 1994 enter total "Taxable Value" from 1993 N.C. Intangibles Personal Property Tax Return, Form H-801; otherwise enter corresponding amount from 1994 return _____)	
3. Appraised Valuation Of Property In N.C. <i>(Total of Lines 1 and 2 to Page 1, Sch. A, Line 3)</i>	

<b>ALL TAXPAYERS ANSWER QUESTIONS A, B &amp; C</b>		YES	NO
▶ A.	<b>Escheats and Abandoned property</b> – Does this corporation hold property including wages, accounts payable, dividends, etc., belonging to another person or persons which has been unclaimed pursuant to G.S. 116B? .....		
▶ B.	Is this corporation a shareholder of an FSC, or a shareholder of a corporation that owns a FSC? .....		
▶ C.	Does this corporation finance/discount its receivables through a related or affiliated company? .....		

**INSTRUCTIONS FOR REPORTING NET TAXABLE INCOME**

**When Copy of Federal Return is Attached**

A corporation may attach a copy of its Federal return and use Federal net income as a beginning point in Schedule G, Page 5 in computing its net taxable income for North Carolina tax purposes, in which case it need not complete Schedule F below. However, adjustments for additions to and deductions from Federal net income are required in Schedule G because of the differences in Federal and North Carolina laws concerning income and deductions.

**When Copy of Federal Return is Not Attached**

Instead of attaching a copy of the Federal return, a corporation may report its net income to this State by itemizing its income and deductions in Schedule F and completing all schedules on other pages of this return.

**Other Requirements and Instructions**

Regardless of which of the above procedures is followed, there must be included with the return the itemized income and deduction schedules called for in Schedule F.

A corporation having income from business activity which is taxable both within and without this State is required to allocate and apportion its net income or net loss as provided in G.S. 105-130.4.

For more information about typical income and deduction items which must be accounted for in Schedule G and for additional instructions for preparing and filing corporation income tax returns, refer to Instructions Form CD-415 and to Article 4 of the Revenue Laws of North Carolina.

<b>Schedule F—FEDERAL TAXABLE INCOME BEFORE NET OPERATING LOSS DEDUCTION AND SPECIAL DEDUCTIONS</b>			
<b>GROSS INCOME</b>	1.	Gross receipts or gross sales _____	1
	2.	Less: Cost of goods sold (attach schedule) _____	2
	3.	Gross profit _____	3
	4.	Dividends (attach schedule) _____	4
	5.	Interest on obligations of the United States and U. S. instrumentalities _____	5
	6.	Other interest _____	6
	7.	Gross rents _____	7
	8.	Royalties _____	8
	9.	Net gains (losses)—(attach schedule) _____	9
	10.	Other income (attach schedule) _____	10
	11.	<b>Total Income—Add lines 3 through 10</b>	<b>11</b>
<b>DEDUCTIONS</b>	12.	Compensation of officers (attach schedule) _____	12
	13.	Salaries and wages (not deducted elsewhere) _____	13
	14.	Repairs (do not include cost of improvements or capital expenditures) _____	14
	15.	Bad debts (attach schedule) _____	15
	16.	Rents _____	16
	17.	Taxes (attach schedule) _____	17
	18.	Interest (attach schedule) _____	18
	19.	Contributions (attach schedule) _____	19
	20.	Losses by fire, storm, shipwreck, other casualty, or theft (attach schedule) _____	20
	21.	Amortization (attach schedule) _____	21
	22.	Depreciation (attach schedule) _____	22
	23.	Depletion (attach schedule) _____	23
	24.	Advertising _____	24
	25.	a. Pension, profit-sharing, stock bonus, annuity plans _____	25(a)
		b. Other employee benefit plans _____	(b)
	26.	Other deductions (attach schedule) _____	26
	27.	<b>Total Deductions—Add lines 12 through 26</b>	<b>27</b>
28.	<b>Taxable income per Federal return before net operating loss deduction and special deductions (line 11 less line 27) (To Page 5, Schedule G, Line 1)</b>	<b>28</b>	XXXXXXXXXXXXXXXXXX

**Schedule M—NONBUSINESS INCOME**

**(If all income is business income as defined below, do not complete this schedule.)**

**Rents and royalties from real or tangible personal property, gains and losses, interest, dividends, patent and copyright royalties, and other kinds of income, to the extent that they constitute nonbusiness income, less related expenses** are subject to direct allocation and should be reported in this schedule.

**Definitions:** *Business income* means income arising from transactions and activity in the regular course of the corporation's trade or business and includes rents and royalties from real or tangible personal property, gains and losses, interest, dividends, patent and copyright royalties and other kinds of income if the acquisition, management, and/or disposition of the income-producing property constitute integral (even though incidental) parts of the corporation's regular trade or business operations wherever conducted.

*Nonbusiness income* means all income other than business income.

Additional information concerning *business-nonbusiness income* is contained in booklet, "Franchise Tax and Corporate Income Tax Rules and Regulations," available upon request.

(See Instructions, Form CD-415, page 4, Direct Allocation of Nonbusiness Income.)

For each item for which an amount is reported, describe the source of income and explain in the space below why such income does not constitute business income as defined above.	Gross Amounts	*Less Related Expenses and Dividends Deductible under G.S. 105-130.7	Net Amounts	Net Amounts Allocated Directly to N. C.
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8. Total nonbusiness income allocated directly to N. C. and other state (To Page 1, Sch. B, Line 11)				
9. Nonbusiness income allocated directly to N. C. (To Page 1, Sch. B, Line 15)				

Describe source of nonbusiness income and explain why such income does not constitute business income as defined above.

**\*NOTE:** For an acceptable means of computing related expenses, see Regulation entitled, Attribution of Expenses to Nontaxable Income and to Nonbusiness Income and Property.

**Schedule N—AFFILIATED CORPORATIONS**

Are you connected with another corporation as: Parent  Subsidiary  Affiliate   
 If so, attach a copy of the appropriate Federal Income Tax schedule reflecting this connection.

**Schedule O—OFFICERS' NAMES AND ADDRESSES**

President:

Vice-President:

Secretary:

Treasurer:

Name and Address of Process Agent in North Carolina:

Schedule G—COMPUTATION OF STATE NET INCOME			
<b>1.</b>	<b>Taxable Income Per Federal Return Before Net Operating Loss Deduction and Special Deductions</b>		
<b>2.</b>	<b>Additions:</b>		
	a. State income taxes and other taxes based on net income	▶	
	b. Capital loss carry-over	▶	
	c. Contributions	▶	
	d. Percentage depletion in excess of cost depletion (See Instructions)	▶	
	e. Other	▶	
<b>3.</b>	<b>Total</b> (Line 1 plus Items under line 2)		
<b>4.</b>	<b>Deductions:</b>		
	a. Interest—U. S. obligations - Net of expenses	▶	
	b. Deductible portion of dividends (attach schedule)	▶	
	c. Capital loss not deducted on Federal return	▶	
	d. Adjustment to property basis required by federal tax credit (See Instructions)	▶	
	e. Other	▶	
<b>5.</b>	<b>Net Income Before Contributions</b>		
<b>6.</b>	<b>Less:</b> Contributions to donees outside N. C. (Limited to 5% of Line 5) (From Page 5, Sch. H, Line 3)	▶	
<b>7.</b>	<b>Total State Net Income</b> (To Page 1, Schedule B, Line 10)	▶	

Schedule H—CONTRIBUTIONS		
1.	Total contributions to donees outside N. C. (attach schedule)	
2.	5% of Line 5, Schedule G, Page 5	
3.	Amount deductible (Lesser of Lines 1 & 2) (To Page 5, Schedule G, Line 6)	
4.	Total contributions to N. C. donees other than those in item 7 below (attach schedule)	
5.	5% of Line 18, Schedule B, Page 1	
6.	Amount deductible (Lesser of Lines 4 & 5)	
7.	Total contributions to State of N. C., any N. C. county or municipality or their institutions, instrumentalities or agencies and to qualified educational institutions located in N. C. (attach schedule)	
8.	Total amount deductible (Add Lines 6 & 7) (To Page 1, Schedule B, Line 19)	

Schedule I—COMPUTATION OF APPORTIONMENT FACTORS					
Property—(use original cost)	In North Carolina		Total Everywhere		
	Beginning of taxable year	End of taxable year	Beginning of taxable year	End of taxable year	
Land					
Buildings					
Inventories					
Other Property					
Total			In North Carolina	Total	
PROPERTY VALUES (average value of property above)					
Add: Rentals (attach schedule)					
<b>1. PROPERTY FACTOR</b>					▶ %
Total Compensation					
Less: Compensation to general executive officers					
<b>2. PAYROLL FACTOR</b>					▶ %
<b>3. SALES FACTOR</b> (attach schedule)					▶ %
<b>4. SALES FACTOR</b> (same as line 3)					▶ %
<b>5. TOTAL OF FACTORS</b> (lines 1, 2, 3 & 4)					▶ %
<b>6. ARITHMETICAL AVERAGE OF FACTORS</b> (To Pages 1 & 2)					▶ %
The sales factor alone may be used only by an "excluded corporation" and certain public utilities. (See Instructions.) (G.S. 105-130.4)			In North Carolina	Total	
<b>SALES FACTOR</b> (attach schedule) (To Pages 1 & 2)					▶ %
Railroad Corporation — Use Railway Operating Revenue from business done in N. C. and everywhere. (G.S. 105-130.4)			In North Carolina	Total	
<b>RAILROAD OPERATING FACTOR</b> (To Pages 1 & 2)					▶ %

**Schedule J—BALANCE SHEETS**

ASSETS	BEGINNING OF TAXABLE YEAR		END OF TAXABLE YEAR	
	Amount	Total	Amount	Total
1. Cash _____				
2. Trade notes and accounts receivable _____				
(a) Less allowance for bad debts _____				
3. Inventories _____				
4. Gov't. obligations: (a) U.S. & instrumentalities _____				
(b) State and others _____				
5. Other current assets (attach schedule) _____				
6. Loans to stockholders _____				
7. Mortgage and real estate loans _____				
8. Other investments (attach schedule) _____				
9. Buildings and other fixed depreciable assets _____				
(a) Less accumulated depreciation _____				
10. Depletable assets _____				
(a) Less accumulated depletion _____				
11. Land (net of any amortization) _____				
12. Intangible assets (amortizable only) _____				
(a) Less accumulated amortization _____				
13. Other assets (attach schedule) _____				
14. Total assets _____				
<b>LIABILITIES AND CAPITAL</b>				
15. Accounts payable _____				
16. Mtges., notes, bonds payable in less than 1 yr. _____				
17. Other current liabilities (attach schedule) _____				
18. Loans from stockholders _____				
19. Mtges., notes, bonds payable in 1 yr. or more _____				
20. Other liabilities (attach schedule) _____				
21. Capital stock: (a) Preferred stock _____				
(b) Common stock _____				
22. Paid-in or capital surplus (attach reconciliation) _____				
23. Retained earnings—Appropriated (attach schedule) _____				
24. Retained earnings—Unappropriated _____				
25. Less cost of treasury stock _____		(                    )		(                    )
26. Total liabilities and capital _____				

**Schedule K—RECONCILIATION OF INCOME PER BOOKS WITH INCOME PER RETURN**

1. Net income per books _____		7. Income recorded on books this year not included in this return (itemize)	
2. Federal income tax _____		(a) Nontaxable interest _____	
3. Excess of capital losses over capital gains _____			
4. Taxable income not recorded on books this year (itemize) _____		8. Deductions in this tax return not charged against book income this year (itemize)	
		(a) Depreciation _____	
5. Expenses recorded on books this year not deducted in this return (itemize)		(b) Depletion _____	
(a) Depreciation _____			
(b) Depletion _____		9. Total of lines 7 and 8 _____	
		10. Income (line 28, page 3)—line 6 less 9 _____	
6. Total of lines 1 through 5 _____			

**Schedule L—ANALYSIS OF UNAPPROPRIATED RETAINED EARNINGS PER BOOKS**

1. Balance at beginning of year _____		5. Distributions: (a) Cash _____	
2. Net income per books _____		(b) Stock _____	
3. Other increases (itemize) _____		(c) Property _____	
		6. Other decreases (itemize) _____	
4. Total of lines 1, 2, and 3 _____		7. Total of Lines 5 and 6 _____	
		8. Balance at end of year (line 4 less 7) _____	