

NORTH CAROLINA

Form CD-418

N.C. Dept. of Revenue
P. O. Box 25000
Raleigh, N. C. 27640-0500

COOPERATIVE OR MUTUAL ASSOCIATION CORPORATION INCOME TAX RETURN

For Calendar year 1997

1997

► or fiscal year beginning _____ 1997, ending _____

Check if address has changed since prior year's return.
Check if corporation is a first time filer in N.C.

CC

<p>DUE DATE File return on or before the 15th day of the ninth month following the end of the income year.</p>	<p>Name _____</p> <p>Address _____</p> <p>City, State and Zip Code _____</p>	<p>Federal ID Number _____</p> <p>Sec of State ID Number _____</p>
<p>To be filed by Cooperative or Mutual Associations formed under General Statute 54-124 to conduct agricultural business on mutual plan or Marketing Associations organized under Sub-Chapter Five, Chapter 54 of General Statutes, Article 19, Section 54-129.</p>	<p>Location of Principal Place of Business _____ SIC Code _____ Date Incorporated _____</p> <p>Nature of Business _____</p> <p>► Indicate if Connected with another corporation as: Subsidiary <input type="checkbox"/> Parent <input type="checkbox"/> Affiliate <input type="checkbox"/></p> <p style="font-size: 8pt;">If so, give name and address _____</p> <p>► Indicate if: <input type="checkbox"/> QSSS <input type="checkbox"/> Parent of QSSS <input type="checkbox"/> LLC <input type="checkbox"/> Non-profit</p>	<p>Enter the cost of business property placed into service. _____</p> <p style="text-align: right; font-size: 12pt;">00</p>

Schedule A—COMPUTATION OF NET TAXABLE INCOME

1. Net Income Per Federal Return Before Net Operating Loss Deduction and Special Deductions	1	00
2. Additions:		
a. State income taxes and other taxes based on net income	2a	00
b. Contributions	2b	00
c. Dividends paid on capital stock (<i>Schedule I</i>)	2c	00
d. Nonpatronage income allocated to patrons (<i>Schedule I</i>)	2d	00
e. Tax credits claimed	2e	00
f. Other	2f	00
3. Total (Line 1 plus Additions)	3	00
4. Deductions:		
a. Interest—U. S. obligations—Net of expenses	4a	00
b. Deductible portion of dividends (<i>Schedule E</i>)	4b	00
c. Net economic loss deduction brought forward (<i>Attach Schedule</i>)	4c	00
d. Adjustment to property basis required by federal tax credit	4d	00
e. Other	4e	00
5. Net Income Before Contributions (Line 3 less Deductions)	5	00
6. Less: a. Contributions other than those deductible in (b) (Limited to 5% of Line 5) (<i>Attach Schedule</i>)	6a	00
b. 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 North Carolina (<i>Attach Schedule</i>)	6b	00
7. Net Taxable Income	7	00

COMPUTATION OF TAX

8. Income Tax (7.50% of Line 7)	8	00
9. Less:		
a. New and Expanding Tax Credits	9a	00
b. Business Property Tax Credit	9b	00
c. Other Credits (<i>Attach Schedule</i>)	9c	00
10. Net Tax Due	10	00
11. Add: Annual Report Fee (\$20.00)	11	00
12. Less:		
a. Tax paid with application for extension	12a	00
b. Tax paid with declaration of estimated tax	12b	00
c. Tax paid with Partnership Return (<i>Attach Schedule</i>)	12c	00
13. Balance of tax due	13	00
14. Interest (Due on all Extended Payments)	00	00
15. Penalty	00	00
16. TOTAL INCOME TAX DUE (Overpayment) (<i>Add lines 13, 14, and 15</i>) If balance due, remit to N.C. Dept. of Revenue; otherwise, complete lines 17-19.	16	00
17. Amount of Overpayment Applied to 1998 Estimated Tax	17	00
18. Amount of Overpayment Donated to Wildlife Fund	18	00
19. Amount of Overpayment to be Refunded	19	00

ESCHEATS AND ABANDONED PROPERTY: Does the corporation hold property including wages, accounts payable, dividends, etc., belonging to another person or persons which has been unclaimed or abandoned pursuant to G.S. 116B? Yes No

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 _____

INSTRUCTIONS FOR REPORTING NET TAXABLE INCOME 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 A in computing its net taxable income for North Carolina tax purposes, in which case it need not complete Schedule B below. However, adjustments for additions to and deductions from federal net income are required in Schedule A 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 B and completing and attaching all supporting schedules.

Other Requirements and Instructions

Regardless of which of the above procedures is followed, Page 1 must be completed and there must be included with the return the itemized income and deduction schedules called for in Schedule B. Attachments may be used in the preparation of the return if the lines on the form schedules are not sufficient, but must contain all required information.

For more information about typical income and deduction items which must be accounted for in Schedule A 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.

Schedule B—FEDERAL TAXABLE INCOME BEFORE NET OPERATING LOSS DEDUCTION AND SPECIAL DEDUCTIONS												
GROSS INCOME	1a.	Gross receipts or sales		b. Less: Returns and Allowances		1c						
	2.	Less: Cost of Goods sold (<i>Schedule C</i>)				2						
	3.	Gross profit				3						
	4.	(a) Patronage dividends (<i>Schedule D</i>)				4a						
		(b) Dividends on capital stock (<i>Schedule E</i>)				4b						
	5a.	Interest on obligations of the United States and U. S. instrumentalities				5a						
	5b.	Other interest				5b						
	6.	Gross rents				6						
	7.	Royalties				7						
	8.	Capital gain net income (Attach <i>Schedule</i>)				8						
	9.	Net gains (losses)—(<i>Schedule F</i>)				9						
10.	Other income (Attach <i>Schedule</i>)				10							
11.	TOTAL Income—Add lines 3 through 10								11		00	
DEDUCTIONS	12.	Compensation of officers (Attach <i>Schedule</i>)				12						
	13.	Salaries and wages (not deducted elsewhere)				13						
	14.	Rents				14						
	15.	Repairs (do not include cost of improvements or capital expenditures)				15						
	16.	Bad debts (Attach <i>Schedule</i>)				16						
	17.	Interest				17						
	18.	Taxes (<i>Schedule G</i>)				18						
	19.	Contributions (Attach <i>Schedule</i>)				19						
	20.	Depreciation (Attach <i>Schedule</i>)		20								
	21.	Less depreciation included in Cost of Goods Sold		21a		21b						
	22.	Depletion				22						
	23.	Advertising				23						
	24.	Pension, profit-sharing, etc., plans				24						
	25.	Employee benefit programs				25						
	26.	Other deductions (Attach <i>Schedule</i>)				26						
	27.	TOTAL Deductions—Add lines 12 through 26								27		00
	28.	Line 11 less line 27								28		00
	29.	Deductions and adjustments under section 1382 (<i>Schedule I</i>)								29		00
	30.	Taxable Income per federal return before Net Operating Loss Deduction and Special Deductions (line 28 less line 29) (<i>Carry this amount to Page 1, Schedule A, Line 1.</i>)								30		00

Schedule C—COST OF GOODS SOLD		Schedule D—INCOME FROM PATRONAGE DIVIDENDS	
1.	Inventory at beginning of year _____		
2.	Merchandise bought for mfg. or sale _____		
3.	Salaries and wages _____		
4.	Other costs (Attach <i>Schedule</i>) _____		
5.	Total _____		
6.	Less inventory at end of year _____		
7.	Cost of goods sold (To Line 2, Page 2)		TOTAL (To Line 4(a), Page 2)

Schedule E—DIVIDENDS RECEIVED ON CAPITAL STOCK			
ALL DIVIDENDS MUST BE LISTED	1	2	3*
NAME OF CORPORATION	Total Received To Page 2, Line 4(b)	Percentage Taxable	Deductible Portion To Page 1, Line 4
TOTALS		XXXXXXXXXXXXXXXXXXXX	

*Limited to \$15,000. See Instructions Form CD-415

Schedule F—GAIN OR LOSS FROM SALE OF REAL ESTATE, STOCKS, BONDS, ETC.						
KIND OF PROPERTY	Date Acquired	Date Sold	Amount Received	Depreciation Sustained	Cost or Other Basis (See Instructions)	Net Gain or Loss
TOTAL (To Line 9, Page 2)						

Schedule G—TAXES		Schedule H—OTHER DEDUCTIONS	
Kind	Amount	Kind	Amount
		1. Supplies _____	
		2. Light, Heat, Water _____	
		3. Telephone and Telegraph _____	
		4. Insurance on Business Property _____	
		5. Traveling _____	
		6. _____	
		7. _____	
		8. _____	
		9. _____	
TOTAL (Line 18, Page 2)		TOTAL (To Line 26, Page 2)	

Schedule I—DEDUCTIONS AND ADJUSTMENTS UNDER SECTION 1382 OF FEDERAL CODE		
1.	Dividends paid on capital stock _____	
2.	Nonpatronage income allocated to patrons _____	
3.	Patronage dividends: (a) Money _____	
	(b) Qualified written notices of allocation _____	
	(c) Other property (except written notices of allocation) _____	
	(d) Money or other property (except written notices of allocation) in redemption of nonqualified written notices of allocation _____	
	(e) Other (Attach statement) _____	
4.	TOTAL (To Line 29, Page 2)	

Schedule J—BALANCE SHEETS

ASSETS	BEGINNING OF TAXABLE YEAR		END OF TAXABLE YEAR	
	(A) Amount	(B) Total	(C) Amount	(D) Total
1. Cash _____				
2. Trade notes and accounts receivable _____				
(a) Less allowance for bad debts _____				
3. Inventories _____				
4. Government obligations:				
(a) U. S. & instrumentalities _____				
(b) State, subdivisions thereof, etc. _____				
5. Other investments (Attach <i>Schedule</i>) _____				
6. Other current assets (Attach <i>Schedule</i>) _____				
7. Buildings and other depreciable assets				
(a) Less accumulated depreciation _____				
8. Depletable assets _____				
(a) Less accumulated depletion _____				
9. Land (net of any amortization) _____				
10. Intangible assets (amortizable only) _____				
(a) Less accumulated amortization _____				
11. Other assets (Attach <i>Schedule</i>) _____				
12. Total assets _____				
LIABILITIES AND CAPITAL				
13. Accounts payable _____				
14. Mtges., notes, bonds payable in less than 1 year				
15. Other current liabilities (Attach <i>Schedule</i>)				
16. Mtges., notes, bonds payable in 1 yr. or more				
17. Patronage dividends allocated in noncash form, other than capital stock and interest-bearing obligations _____				
18. Other liabilities (Attach <i>Schedule</i>) _____				
19. Capital stock: Enter numbers at end of year				
Shares Shareholders				
(a) Preferred stock				
(b) Common stock				
20. Paid-in or capital surplus _____				
21. Retained earnings (Attach <i>Schedule</i>) _____				
22. Less cost of treasury stock _____		()		()
23. Total liabilities and stockholders' equity				

Schedule K—RECONCILIATION OF INCOME (LOSS) 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) Tax-Exempt Interest _____	
3. Excess of capital losses over capital gains			
4. Income subject to tax 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) Contributions Carryover _____	
(a) Depreciation _____			
(b) Contributions Carryover _____		9. TOTAL of lines 7 and 8 _____	
(c) Travel and Entertainment _____			
6. TOTAL of lines 1 through 5		10. Income (line 30, page 2)—line 6 less 9	

Schedule L—ANALYSIS OF RETAINED EARNINGS

1. Balance at beginning of year _____		5. Distribution to stockholders charged to retained earnings during the taxable year:	
2. Net income (loss) per books _____		(a) Cash _____	
3. Other increases (itemize) _____		(b) Stock _____	
_____		(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 line 7)	