**Place an “X” in the box left of the line number to indicate a loss amount.**

Enter all amounts in whole dollars.

**FOR NONRESIDENTS ONLY**

1. From Federal Form 1120S (2007) pp. 2-3, (Schedule K) “Shareholders’ Share Of Income, Credits, Deductions, etc.”, combine Lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9 & 10. Subtract Lines 11, 12a, 12b, 12c(2) & 12d. Include total recapture of section 179 expense deduction reported to shareholders in Section 17 of their Schedule K-1’s (Form 1120S). Also include the net of all credits or credit recaptures reported to shareholders on Schedule K-1(s), Form 1120S. Attach complete copy of Federal Form 1120S and all Federal Schedule K-1s.

2. ADD Interest on nonVermont state and local obligations.

3. SUBTRACT
   - (a) Interest on U.S. Government obligations
   - (b) Targeted Job Credit salary and wage expense add back
   - (c) SUBTOTAL Add Lines 3(a) & 3(b).

4. TOTAL NET INCOME (Add Lines 1 and 2 and then subtract Line 3(c))

5. INCOME ALLOCATED EVERYWHERE
   (VT Form BA-402, Part 1, Line 1a, or leave blank)

6. NET APPORTIONABLE INCOME Subtract Line 5 from Line 4.
   Enter the result here.

7. VERMONT APPORTIONMENT PERCENTAGE
   (100% or amount from VT Form BA-402, Line 22)

8. NET INCOME apportioned to Vermont (Multiply Line 6 by Line 7)

9. TOTAL NET INCOME Allocated and Apportioned to Vermont (add VT Form BA-402, Part 1, Line 1b, & Line 8, above). Enter the result here.

Indicate each nonresident shareholder’s share of Line 9 on Side 2.
<table>
<thead>
<tr>
<th>Shareholder's Name and Address</th>
<th>Social Security Number or Federal I.D. Number</th>
<th>Individual Percentage of Loss or Income</th>
<th>Shareholder's Share of Line 9 (Vermont Net Income)</th>
<th>Total Fiscal Year Estimated Payments (VT Form WH-435)</th>
<th>Filing With Entity’s Composite Return? Yes / No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. ____________________________</td>
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</tbody>
</table>

(Enter information from Columns C, D, E, and F on VT Schedule K-1VT)

**Vermont Business Account Number**

# # # # # X X

**Business/Entity Name**

Attach additional sheets in the same format as necessary
Regulation §1.5833-1 Allocation and Apportionment of Income became effective for tax years beginning on or after January 1, 1998. A copy of this regulation is available at the Department of Taxes’ web site at the address given below. A brief discussion of apportionment and allocation of Vermont net income is also provided in the instructions for Vermont Form BA-402, Vermont Apportionment & Allocation Schedule.

Effective for tax years beginning on or after January 1, 1998, the pass-through entity is liable for the $250 minimum annual tax due with a timely filed return or Vermont extension (VT Form BA-403).

For taxable years beginning on or after January 1, 1997, S Corporations are treated as pass-through entities. Tax is imposed on the income of the business at the shareholder level. The entity shall, for each taxable period, be liable for all income taxes together with related interest and penalties imposed on the nonresident by Vermont. Effective for tax years beginning on or after January 1, 1998, all pass-through entities are liable for the $250 minimum annual entity tax, due with a timely filed return or Vermont Extension. The entity must make estimated quarterly payments for these taxes for all non-Vermont shareholders based upon the Vermont income using VT Form WH-435. Certain S Corporations, Partnerships, and Limited Liability Companies may file and remit the estimated tax payments on behalf of nonresident shareholders, partners and members annually, on January 15th, instead of quarterly which is the general requirement. To qualify, the entity must have a single (nonresident) shareholder, partner or member and a tax liability of $250 or less in the prior year, or 2 or more shareholders, partners or members and a tax liability of $500 or less in the prior year.

Technical Bulletin 5 (TB-05) now provides for an “administrative safe harbor” and a “catch-up payment” for estimated payments due on or after April 15, 2005. This “catch-up payment”, if required, is made at the time that the entity files its business income tax return or extension request. The “catch-up payment” is determined using VT Form WH-435SH (Safe Harbor Worksheet) and is sent in with a completed VT Form WH-435 and the payment.

Refer to Vermont Department of Taxes’ Technical Bulletin (TB-05), instructions for VT Form WH-435, Estimated Income Tax Payments For Nonresident Shareholders, Members or Partners, and VT Form WH-435SH (Safe Harbor Worksheet) for more information on the subject, or call (802) 828-5723.

** RETURNS AND PAYMENTS CANNOT BE PROCESSED WITHOUT THE VERMONT BUSINESS ACCOUNT NUMBER (VBA#) **

Please use blue or black ink.

Enter your business name and Vermont Business Account Number (VBA#).

** Line 1:** Combine Lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, and subtract Lines 11, 12a, 12b, 12c(2), and 12d of Federal Form 1120S (2007) pp. 2-3, (Schedule K), “Shareholders Shares of Income, Deductions, Credits, etc.” Include total recapture of section 179 expense deduction reported to shareholders in Section 17 of their Schedule K-1s (Form 1120S). Also include the net of all credits or credit recaptures reported to shareholders on Schedule K-1(s), Form 1120S. Enter the result here.
Adjustments To Taxable Income

Line 2: Enter the amount of interest received from non-Vermont state and local obligations that were exempted from Federal tax.

Line 3: (a) Enter the amount of interest received from U.S. Government Obligations.
   (b) Enter the wage expense associated with targeted jobs credit disallowed on the Federal return by IRC Section 280C(a).
   (c) Add Lines 3(a) and 3(b) and enter the result here.

Line 4: Total Net Income (loss) Add Lines 1 and 2 and then subtract Line 3(c). Enter the result here.

Line 5: Income Allocated Everywhere Enter the amount from VT Form BA-402, Part 1, Line 1a.

Line 6: Net Apportionable Income Subtract Line 5 from Line 4. Enter the result here.

Line 7: Vermont Apportionment Percentage Enter 100% or amount from VT Form BA-402, Line 22.

Line 8: Net Income Apportioned to Vermont Multiply Line 6 by Line 7 and enter the result here.

Line 9: Total Net Income Allocated and Apportioned to Vermont Add VT Form BA-402, Part 1, Line 1b, and Line 8, above. Enter the result here.

**FORM BI-472 INSTRUCTIONS (Side 2)**

Nonresident Share of Line 9 (Reported on Side 2 of VT Form BI-472)
Complete columns (A) through (F) on Side 2 for each nonresident shareholder. **DO NOT** include Vermont resident shareholder information. However, VT Schedule K-1VT is required for **ALL shareholders, resident and nonresident**.

- The nonresident shareholder’s portion is the amount of Line 9 based on his/her proportionate share.
- Multiply the amount on Line 9 by the percentage of ownership reported on Federal Schedule K-1 for each nonresident.
- Indicate each of the nonresident shareholder’s portion of Line 9 in column (D).
- Use column (E) to indicate the total year estimated payments made (with VT Form WH-435) on behalf of the shareholder.
- If this entity is eligible to **file a composite (block) return**, indicate in column (F) those members consenting to and included in this filing. The total for Column D, for those marked “yes” in Column F, is the total for VT Form BI-471, Line 2, for a composite filer. Those not included in the composite return are liable for their own individual filing(s).

**VT Schedule K-1VT:**
The required form for all shareholders, VT Schedule K-1VT, “Shareholder’s, Partner’s, or Member’s Information”, includes keys to the forms and line numbers of the VT Individual Income Tax Return.

Mail Forms VT BI-471, VT BI-472; and, if applicable, VT BA-402 and VT BA-404; a copy of Federal Form 1120S, as filed with the IRS; and all Federal Schedule K-1s and VT Schedule K-1VTs to:

Mailing address: Taxpayer Services: (802) 828-5723
VT Department of Taxes Email Address: tax-corpincome@state.vt.us
133 State Street Web Site Address: http://www.state.vt.us/tax
Montpelier, VT 05633-1401 Facsimile: (802) 828-5787
Forms: (802) 828-2515