

California Exempt Organization Business Income Tax Return

2016

109

Calendar Year 2016 or fiscal year beginning (mm/dd/yyyy) and ending (mm/dd/yyyy)
Corporation/Organization name
California corporation number
Additional information. See instructions.
FEIN
Street address (suite/room no.)
PMB no.
City (If the corporation has a foreign address, see instructions.)
State
ZIP code
Foreign country name
Foreign province/state/county
Foreign postal code

- A First Return Filed?
B Is this an education IRA within the meaning of R&TC Section 23712?
C Is the organization under audit by the IRS or has the IRS audited in a prior year?
D Final Return?
E Amended Return
F Accounting Method Used:
G Nature of trade or business
H Is the organization a non-exempt charitable trust as described in IRC Section 4947(a)(1)?
I Is this organization claiming any former; Enterprise Zone (EZ), Los Angeles Revitalization Zone (LARZ), Local Agency Military Base Recovery Area (LAMBRA), Targeted Tax Area (TTA), or Manufacturing Enhancement Area (MEA) tax benefits?
J Is this organization a qualified pension, profit-sharing, or stock bonus plan as described in IRC Section 401(a)?
K Unrelated Business Activity (UBA) Code
L Is this a Hospital?

Table with columns for Taxable Corporation, Taxable Trust, Tax Computation, Total Tax, Payments, and Use Tax/Tax Due/Overpayment. Rows 1-25 detailing tax calculations and payments.

Refund or Amount Due	26 Refund. If line 25 is less than line 24, then subtract line 25 from line 24. . . . .	●	26		00
	a Fill in the account information to have the refund directly deposited. Routing number. . . . .	●	26a		
	b Type: Checking <input type="radio"/> Savings <input type="checkbox"/> c Account Number . . . . .	●	26c		
	27 Penalties and interest. See General Information M. . . . .	●	27		00
28 <input type="checkbox"/> Check if estimate penalty computed using Exception B or C and attach form FTB 5806 . . . . .					
29 Total amount due. Add line 22, line 23, line 25, and line 27, then subtract line 24. . . . .	⊙	29			00

**Unrelated Business Taxable Income**

**Part I Unrelated Trade or Business Income**

1 a Gross receipts or gross sales	b Less returns and allowances	c Balance	●	1c		00
2 Cost of goods sold and/or operations (Schedule A, line 7) . . . . .			●	2		00
3 Gross profit. Subtract line 2 from line 1c . . . . .			●	3		00
4 a Capital gain net income. See Specific Line Instructions – Trusts attach Schedule D (541) . . . . .			●	4a		00
b Net gain (loss) from Part II, Schedule D-1. . . . .			●	4b		00
c Capital loss deduction for trusts . . . . .			●	4c		00
5 Income (or loss) from partnerships, limited liability companies, or S corporations. See specific line instructions. Attach Schedule K-1 (565, 568, or 100S) or similar schedule . . . . .			●	5		00
6 Rental income (Schedule C) . . . . .			●	6		00
7 Unrelated debt-financed income (Schedule D) . . . . .			●	7		00
8 Investment income of an R&TC Section 23701g, 23701i, or 23701n organization (Schedule E) . . . . .			●	8		00
9 Interest, Annuities, Royalties and Rents from controlled organizations (Schedule F) . . . . .			●	9		00
10 Exploited exempt activity income (Schedule G) . . . . .			●	10		00
11 Advertising income (Schedule H, Part III, Column A) . . . . .			●	11		00
12 Other income. Attach schedule. . . . .			●	12		00
13 Total unrelated trade or business income. Add line 3 through line 12 . . . . .			●	13		00

**Part II Deductions Not Taken Elsewhere** (Except for contributions, deductions must be directly connected with the unrelated business income.)

14 Compensation of officers, directors, and trustees from Schedule I . . . . .	●	14		00
15 Salaries and wages. . . . .	●	15		00
16 Repairs. . . . .	●	16		00
17 Bad debts . . . . .	●	17		00
18 Interest. Attach schedule . . . . .	●	18		00
19 Taxes. Attach schedule . . . . .	●	19		00
20 Contributions. See instructions and attach schedule . . . . .	●	20		00
21 a Depreciation (Corporations and Associations – Schedule J) (Trusts – form FTB 3885F) ●	●	21a		00
b Less: depreciation claimed on Schedule A. See instructions . . . . .	●	21b		00
22 Depletion. Attach schedule. . . . .	●	22		00
23 a Contributions to deferred compensation plans. . . . .	●	23a		00
b Employee benefit programs. See instructions . . . . .	●	23b		00
24 Other deductions. Attach schedule. . . . .	●	24		00
25 Total deductions. Add line 14 through line 24 . . . . .	●	25		00
26 Unrelated business taxable income before allowable excess advertising costs. Subtract line 25 from line 13 . . . . .	●	26		00
27 Excess advertising costs (Schedule H, Part III, Column B) . . . . .	●	27		00
28 Unrelated business taxable income before specific deduction. Subtract line 27 from line 26 . . . . .	●	28		00
29 Specific deduction. See instructions . . . . .	●	29		00
30 Unrelated business taxable income. Subtract line 29 from line 28. If line 28 is a loss, enter line 28. . . . .	●	30		00

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Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer ▶	Title	Date	● Telephone ( )
Preparer's signature ▶	Date	Check if self-employed <input type="checkbox"/>	● PTIN
Firm's name (or yours, if self-employed) and address ▶			● FEIN
			● Telephone ( )

May the FTB discuss this return with the preparer shown above? See instructions . . . . . ●  Yes  No

**Schedule A Cost of Goods Sold and/or Operations.**

Method of inventory valuation (specify) \_\_\_\_\_

1	Inventory at beginning of year	1	00
2	Purchases	2	00
3	Cost of labor	3	00
4 a	Additional IRC Section 263A costs. Attach schedule	4a	00
4 b	Other costs. Attach schedule	4b	00
5	Total. Add line 1 through line 4b.	5	00
6	Inventory at end of year	6	00
7	Cost of goods sold and/or operations. Subtract line 6 from line 5. Enter here and on Side 2, Part I, line 2	7	00

Do the rules of IRC Section 263A (with respect to property produced or acquired for resale) apply to this organization?  Yes  No

**Schedule B Tax Credits.**

1	Enter credit name _____ code ●	1	00
2	Enter credit name _____ code ●	2	00
3	Enter credit name _____ code ●	3	00
4	Total. Add line 1 through line 3. If claiming more than 3 credits, enter the total of all claimed credits, on line 4. Enter here and on Side 1, line 11	4	00

**Schedule K Add-On Taxes or Recapture of Tax.** See instructions.

1	Interest computation under the look-back method for completed long-term contracts. Attach form FTB 3834	1	00
2	Interest on tax attributable to installment: a Sales of certain timeshares or residential lots	2a	00
	b Method for non-dealer installment obligations	2b	00
3	IRC Section 197(f)(9)(B)(ii) election to recognize gain on the disposition of intangibles	3	00
4	Credit recapture. Credit name _____	4	00
5	Total. Combine the amounts on line 1 through line 4. See instructions	5	00

**Schedule R Apportionment Formula Worksheet.** Use only for unrelated trade or business amounts.

**Part A. Standard Method – Single-Sales Factor Formula.** Complete this part only if the corporation uses the single-sales factor formula.

	(a) Total within and outside California	(b) Total within California	(c) Percent within California [(b) ÷ (a)] x 100
1 <b>Total Sales</b>	●	●	
2 <b>Apportionment percentage.</b> Divide total sales column (b) by total sales column (a) and multiply the result by 100. Enter the result here and on Form 109, Side 1, line 2.			●

**Part B. Three Factor Formula.** Complete this part only if the corporation uses the three-factor formula.

	(a) Total within and outside California	(b) Total within California	(c) Percent within California [(b) ÷ (a)] x 100
1 <b>Property factor:</b> See instructions	●	●	●
2 <b>Payroll factor:</b> Wages and other compensation of employees	●	●	●
3 <b>Sales factor:</b> Gross sales and/or receipts less returns and allowances	●	●	●
4 <b>Total percentage:</b> Add the percentages in column (c)			
5 <b>Average apportionment percentage:</b> Divide the factor on line 4 by 3 and enter the result here and on Form 109, Side 1, line 2. See instructions for exceptions			

**Schedule C Rental Income from Real Property and Personal Property Leased with Real Property**

For rental income from debt-financed property, use Schedule D, R&TC Section 23701g, Section 23701i, and Section 23701n organizations. See instructions for exceptions.

1 Description of property	2 Rent received or accrued	3 Percentage of rent attributable to personal property
		%
		%
		%
4 Complete if any item in column 3 is more than 50%, or for any item if the rent is determined on the basis of profit or income	5 Complete if any item in column 3 is more than 10%, but not more than 50%	
(a) Deductions directly connected (attach schedule)	(b) Income includible, column 2 less column 4(a)	(a) Gross income reportable, column 2 x column 3
		(b) Deductions directly connected with personal property (attach schedule)
		(c) Net income includible, column 5(a) less column 5(b)

Add columns 4(b) and column 5(c). Enter here and on Side 2, Part I, line 6

**Schedule D Unrelated Debt-Financed Income**

1 Description of debt-financed property		2 Gross income from or allocable to debt-financed property		3 Deductions directly connected with or allocable to debt-financed property	
				(a) Straight-line depreciation (attach schedule)	(b) Other deductions (attach schedule)
4 Amount of average acquisition indebtedness on or allocable to debt-financed property (attach schedule)	5 Average adjusted basis of or allocable to debt-financed property (attach schedule)	6 Debt basis percentage, column 4 ÷ column 5	7 Gross income reportable, column 2 x column 6	8 Allocable deductions, total of columns 3(a) and 3(b) x column 6	9 Net income (or loss) includible, column 7 less column 8
		%			
		%			
		%			
Total. Enter here and on Side 2, Part I, line 7					

**Schedule E Investment Income of an R&TC Section 23701g, Section 23701i, or Section 23701n Organization**

1 Description	2 Amount	3 Deductions directly connected (attach schedule)	4 Net investment income, column 2 less column 3	5 Set-asides (attach schedule)	6 Balance of investment income, column 4 less column 5
Total. Enter here and on Side 2, Part I, line 8					
Enter gross income from members (dues, fees, charges, or similar amounts)					

**Schedule F Interest, Annuities, Royalties and Rents from Controlled Organizations**

1 Name of controlled organizations		Exempt Controlled Organizations				6 Deductions directly connected with income in column (5)
2 Employer Identification Number	3 Net unrelated income (loss)	4 Total of specified payments made	5 Part of column (4) that is included in the controlling organization's gross income			
1						
2						
3						

**Nonexempt Controlled Organizations**

7 Taxable Income	8 Net unrelated income (loss)	9 Total of specified payments made	10 Part of column (9) that is included in the controlling organization's gross income	11 Deductions directly connected with income in column (10)
1				
2				
3				
4 Add columns 5 and 10				
5 Add columns 6 and 11				
6 Subtract line 5 from line 4. Enter here and on Side 2, Part I, line 9				

**Schedule G Exploited Exempt Activity Income, other than Advertising Income**

1 Description of exploited activity (attach schedule if more than one unrelated activity is exploiting the same exempt activity)	2 Gross unrelated business income from trade or business	3 Expenses directly connected with production of unrelated business income	4 Net income from unrelated trade or business, column 2 less column 3	5 Gross income from activity that is not unrelated business income	6 Expenses attributable to column 5	7 Excess exempt expense, column 6 less column 5 but not more than column 4	8 Net income includible, column 4 less column 7 but not less than zero
Total. Enter here and on Side 2, Part I, line 10							

