

K-121S

(Rev. 8/06)

KANSAS COMBINED INCOME METHOD OF REPORTING

For the taxable year beginning _____, 20____, ending _____, 20____

Name As Shown on Form K-120S

Employer Identification Number (EIN)

PART I KANSAS COMBINED NET INCOME

Enter separate corporate names and federal identification numbers	Corporation A	Corporation B	Eliminations (Explain Below)	Combined Income
1. Federal ordinary income				
2. Total other income (loss) and deductions from federal Schedule K ...				
3. Total (Add lines 1 and 2)				
4. Total state and municipal interest				
5. Taxes on or measured by income or fees or payments in lieu of income taxes				
6. Other additions to federal taxable income (Enclose schedule)				
7. Total (Add lines 3 through 6)				
8. Interest on U.S. government obligations				
9. IRC Section 78 and 80% of foreign dividends (Enclose schedule)				
10. Other subtractions from federal taxable income (Enclose schedule)				
11. Total subtractions (Add lines 8, 9, & 10)				
12. Net income before apportionment (Subtract line 11 from line 7)				
13. Nonbusiness income—Total company (Enclose schedule)				
14. Apportionable business income (Subtract line 13 from line 12)				
15. Percent to Kansas (From line 6, Part II)				
16. Amount to Kansas (Line 15, Corp. A & B multiplied by line 14 combined income)				
17. Nonbusiness income—Kansas (Enclose schedule)				
18. Combined report income (Add lines 16 and 17 and enter the result on line 18, page 1, Form K-120S)				

EXPLANATION OF ELIMINATIONS:

(Any corporation filing using the combined income method with more than one entity doing business in Kansas may file one Kansas return reporting the total Kansas combined income on that return.)

PART II

(Form K-121S)

APPORTIONMENT FORMULA

	Corporation A Within Kansas		Corporation B Within Kansas		Total Company		Percent Within Kansas	
	Beg. of Year	End of Year	Beg. of Year	End of Year	Beg. of Year	End of Year		
1a. Value of owned real and tangible personal property used in the business at original cost.								
Inventory								
Depreciable Assets								
Land								
Other Tangible Assets (Enclose schedule)								
Less: Construction in Progress								
Total Property to be Averaged								
Average Owned Property (Beg. + End ÷ 2)								
1b. Net annual rental property. Multiplied by 8								
TOTAL PROPERTY								
Percentage: Corporation A (Divide Corp. A by Total Co.)							1A	
Percentage: Corporation B (Divide Corp. B by Total Co.)							1B	
2. Wages, salaries, commissions and other compensation of employees related to business income included in return.								
TOTAL PAYROLL								
Percentage: Corporation A (Divide Corp. A by Total Co.)							2A	
Percentage: Corporation B (Divide Corp. B by Total Co.)							2B	
3. Sales (Gross receipts, less returns and allowances)								
a. Sales delivered or shipped to purchasers in Kansas:								
(1) Shipped from outside Kansas								
(2) Shipped from within Kansas								
b. Sales shipped from Kansas to:								
(1) The United States Government								
(2) Purchasers in a state where the taxpayer would not be taxable (e.g., under Public Law 86-272)								
c. Dividends								
Interest								
Rents								
Royalties								
Gains/losses from intangible asset sales								
Gross proceeds from tangible asset sales								
Other income (Attach schedule)								
TOTAL SALES								
Percentage: Corporation A (Divide Corp. A by Total Co.)							3A	
Percentage: Corporation B (Divide Corp. B by Total Co.)							3B	
4. Total Percent: Corporation A (Add lines 1A, 2A, & 3A)							4A	
Corporation B (Add lines 1B, 2B, & 3B)	If utilizing three factor formula						4B	
5. Total Percent: Corporation A (Add lines 1A & 3A)							5A	
Corporation B (Add lines 1B & 3B)	If qualified and utilizing two factor formula						5B	
6. Average Percent: Corporation A (To Part I, Line 15, Form K-121S)							6A	
Corporation B (To Part I, Line 15, Form K-121S)	Average percent of line 4 or 5, whichever is applicable						6B	