

Combined or Consolidated Return Affiliation Schedule

Obtain additional information or assistance, tax forms and instructions, and copies of tax rulings and tax procedures by contacting one of the numbers listed below:

Phoenix	(602) 255-3381
From area codes 520 and 928, toll-free	(800) 352-4090
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Obtain tax rulings, tax procedures, tax forms and instructions, and other tax information by accessing the department's Internet home page at:

www.azdor.gov

General Instructions

Use of the Form

Form 51 is used by Form 120 filers to list members of combined or consolidated affiliated groups and affiliated corporations that file on a separate company basis to Arizona.

- For consolidated groups, the affiliated group consists of all companies included in the federal consolidated return.
- For combined groups, the affiliated group consists of all members included in the combined filing and any related companies in which a member of the combined group owns more than a fifty percent interest.
- Complete this form for the first taxable year that a unitary group files a combined return or an Arizona affiliated group files a consolidated return. *Attach Form(s) 51 immediately following the last page of Form 120.*

Form 51 also identifies corporations added to or deleted from the combined or consolidated group (including name changes) during the taxable year. For affiliated members filing on a separate company basis to Arizona, this form also identifies name changes, and members added to or deleted from the affiliated group during the taxable year.

- Complete this form for succeeding taxable years if there were any additions to or deletions from the combined or consolidated groups (including name changes) or changes in affiliated members filing on a separate company basis.
- For succeeding taxable years, indicate whether any changes occurred in the affiliated group on page 1, information question C of Form 120. If so, the taxpayer must complete the applicable sections of Form 51 and attach it to the return. *Attach Form(s) 51 immediately following the last page of Form 120.*

Specific Instructions

Taxable Year

Indicate the taxable year of the combined or consolidated parent corporation at the top of Form 51 (in an MM/DD/YYYY format).

Name, Address, and Employer Identification Number

If a *consolidated* return is being filed, list the parent corporation's name with the phrase "and subsidiaries," the parent's address, and the parent's employer identification number.

If a *combined* return is being filed, list the name, address, and employer identification number of the corporation under which the group is filing. The name for a combined return should include either the phrase "and unitary subsidiaries" or "and unitary affiliates," whichever is applicable.

The name, address, and employer identification number should be the same as that reported on page 1 of Form 120.

Section I: Listings

Complete Section I only if it was not completed for a previous taxable year. For consolidated returns, list all members of the affiliated group except the parent. For combined returns, list all members of the combined group except for the company under which the combined return is being filed. Also list any affiliated members that file separate income tax returns to Arizona. If Section I is completed, do not complete Sections II and III.

In the "Arizona filer?" column, identify with an X those affiliated members that previously have filed a return to Arizona. For example, if a member filed a combined return, indicate only the company that was identified on the top of page 1 on the original return. In addition, indicate with an X those companies that previously filed separate company returns to Arizona.

In the "F/C/S" column, identify which type of return the affiliated group member is filing to Arizona. Use "F" for consolidated return, "C" for combined return, and "S" for separate company return.

Do not complete the "Period from/through" column for corporations that were members of the consolidated or combined group for the entire taxable year. Use the column only for members that were added or deleted during the taxable year. For each member that was added or deleted, indicate the period of time (by month and year in an MM/YYYY format) the member was part of the group. For example, if a calendar year basis taxpayer acquired a member in June, 2004, the period listed would be 06/2004 - 12/2004.

The business activity code is the business activity code number used for federal tax purposes [codes based on North American Industry Classification System (NAICS)].

If there are more than 20 affiliated corporations, attach additional Forms 51 immediately after the first Form 51. (Enter the taxable year, name, address, and employer identification number of the parent corporation on each additional Form 51.)

Alternatively, if there are more than 20 affiliated corporations, Form 51 may be filed by diskette. Diskette filing can be used *only* for Section I information.

Section II: Additions

Do not complete Section II if Section I was completed for this taxable year. List those corporations that were added to the combined or consolidated group during the taxable year. In addition, list new affiliates that will file separate company returns to Arizona. If there were more than 10 corporations added during the taxable year, attach additional Form(s) 51 immediately after the first Form 51. (Enter the taxable year, name, address, and employer identification number of the parent corporation on each additional Form 51.)

In the "Arizona filer?" column, identify with an X those affiliated members that previously have filed a return to Arizona. For example, if a member filed a combined return, indicate only the company that was identified on the top of page 1 on the original return. In addition, indicate with an X those companies that previously filed separate company returns to Arizona.

In the "F/C/S" column, identify which type of return the affiliated group member is filing to Arizona. Use "F" for consolidated return, "C" for combined return, and "S" for separate company return.

Use the "Month added" column to indicate the number of the month during the taxable year the member was added to the affiliated group. For example, if the member was added in June, use the number 06.

The business activity code is the business activity code number used for federal tax purposes [codes based on North American Industry Classification System (NAICS)].

Section III: Deletions

Do not complete Section III if Section I was completed for this taxable year. In Section III, list those corporations that were deleted from the combined or consolidated group during the taxable year. In addition, list any affiliates that were filing separate company returns to Arizona and which have been

deleted from the affiliated group. If there are more than 10 corporations deleted during the year, attach additional Form(s) 51 immediately after the first Form 51. Enter the taxable year, name, address, and employer identification number of the parent corporation on each additional Form 51.

In the "Arizona filer?" column, identify with an X those affiliated members that previously have filed returns to Arizona. For example, if a member filed a combined return, indicate only the company that was identified on the top of page 1 on the original return. In addition, indicate with an X those companies that previously filed separate company returns to Arizona. In the "F/C/S" column, identify which type of return the affiliated group member was filing to Arizona. Use "F" for consolidated return, "C" for combined return, and "S" for separate company return.

Use the "Month deleted" column to indicate the number of the month during the taxable year the member was deleted from the affiliated group. For example, if the member was deleted in June, use the number 06.

The business activity code is the business activity code number used for federal tax purposes [codes based on North American Industry Classification System (NAICS)].

For each deleted corporation, state the reason for deletion. Reasons for deletion may include disposition, dissolution, or in the case of a combined return, the corporation is no longer unitary.

Name Changes

If any member of the consolidated or combined group, or a member of the affiliated group filing a separate company return to Arizona, has a name change during the taxable year, the following information should be provided by the taxpayer:

- All information (using the new name) as requested in Section II and, in addition, place an X in the "Name change?" column. Enter the month the company began operations under the new name in the "Month added" column. For example, if the member's name changed in June, use the number 06.
- All information (using the old name) as requested in Section III and place an X in the "Name change?" column. Use the "Month deleted" column to indicate the number of the month during the taxable year that the member ceased operating under the old name. For example, if the member's name changed in June, use the number 06.