ARIZONA FORM
120S

Arizona S Corporation Income Tax Return

2010

For the ☐ calendar year 2010 or ☐ fiscal year beginning M,M,D,D,Y,Y,Y,Y and ending M,M,D,D,Y,Y,Y,Y.

Business telephone number	Please Type or Print	Name	CHECK ONE:
			Original ☐ Amended ☐
		Number and street or PO Box	Employer identification number (EIN)
Business activity code number (from federal Form 1120-S)		City, or town, state, and ZIP code	AZ transaction privilege tax number

69 Check box if: ☐ **This is a first return**   ☐ **Name change**   ☐ **Address change**

		CHECK BOX IF:
82	Return filed under extension.	82 F ☐

A   Arizona apportionment: (check only one) Multistate S corporations only.
   ☐ AIR Carrier   ☐ STANDARD Sales Factor   ☐ ENHANCED Sales Factor

REVENUE USE ONLY. DO NOT MARK IN THIS AREA.

B   Is this the corporation's final Arizona return?   ☐ Yes   ☐ No
   If yes, check one: ☐ Dissolved   ☐ Withdrawn   ☐ Merged/Reorganized
   List EIN of the successor corporation, if any: _____
C   Does the S corporation conduct business within and without Arizona?   ☐ Yes   ☐ No
D   Will a composite return be filed on Form 140NR?   ☐ Yes   ☐ No
E   Total number of nonresident individual shareholders _____
F   Total number of resident individual shareholders _____

81		**66**	

G   Total number of entity shareholders (See instructions, page 3) _____

1	Total distributive income (loss) - from federal Form 1120-S, Schedule K	1	00

Complete lines 2-11 only if the S corporation has excess net passive income or capital gains/built-in gains. An S corporation that is not required to complete lines 2-11 must complete lines 12-34 if the S corporation has a tax liability from the recapture of tax credits.

2	Excess net passive income	2	00		
3	Capital gains/built-in gains	3	00		
4	Total federal income subject to corporate income tax - *add lines 2 and 3.* WHOLLY ARIZONA S CORPORATIONS GO TO LINE 11			4	00
5	Nonapportionable or allocable income - *attach schedule.* MULTISTATE S CORPORATIONS ONLY			5	00
6	Apportionable income - *subtract line 5 from line 4.* Multistate S corporations only			6	00
7	Arizona apportionment ratio - *from Schedule A or Schedule ACA*	7 .			
8	Income apportioned to Arizona - *line 6 multiplied by line 7.* Multistate S corporations only			8	00
9	Other income allocated to Arizona - *attach schedule.* Multistate S corporations only			9	00
10	Total income attributable to Arizona - *add lines 8 and 9*			10	00
11	Net income subject to Arizona corporate income tax. Wholly Arizona S corporations - *enter the amount from line 4.* Multistate S corporations - *enter the amount from line 10*			11	00
12	Enter tax - *see instructions before completing this line*			12	00
13	Tax from recapture of tax credits - *from Form 300, Part II, line 23*			13	00
14	Subtotal - *add lines 12 and 13*			14	00
15	Clean Elections Fund Tax Reduction. *Check this box to send $5 to the fund and reduce the tax (line 14) by $5.* *Enter the amount of the tax reduction* ...... 15A ☐			15	00
16	Nonrefundable tax credits - *from Arizona Form 300, Part II, line 45*			16	00
17	Credit type - *enter form number for each credit claimed* **17**	3 | | 3 | | 3 | | 3 | |			
18	Tax liability - *subtract the sum of lines 15 and 16 from line 14*			18	00
19	Clean Elections Fund Tax Credit. *SEE INSTRUCTIONS BEFORE COMPLETING THIS LINE*			19	00
20	Tax liability after Clean Elections Fund tax credit - *subtract line 19 from line 18*			20	00
21	Refundable tax credits. Check box(es) and enter amount(s) **21** ☐ 308 ☐ 342	21	00		
22	Extension payment made with Form 120EXT or online - *see instructions*	22	00		
23	Estimated tax payments - *see instructions*	23	00		
24	Total payments - *add lines 21 through 23. Amended returns - see instructions*			24	00
25	Balance of tax due - *If line 20 is larger than line 24, enter balance of tax due. Skip line 26*			25	00
26	Overpayment of tax - *If line 24 is larger than line 20, enter overpayment of tax*			26	00
27	Penalty and interest			27	00
28	Estimated tax underpayment penalty. **If Form 220 is attached, check box** ...... 28A ☐			28	00
29	Donation to Citizens Clean Elections Fund - *see instructions*			29	00
30	Information return penalty - *see instructions*			30	00
31	**TOTAL DUE** - *see instructions* .....Payment must accompany return			31	00
32	**OVERPAYMENT** - *see instructions*			32	00
33	Amount of line 32 to be applied to 2011 estimated tax	33	00		
34	Amount to be refunded - *subtract line 33 from line 32*			34	00

Schedule A - Apportionment Formula (Multistate S Corporations Only)   See instructions, pages 7 through 9.

A1 Property Factor   NOTE: Qualifying air carriers must use Schedule ACA

	Column A Total Within Arizona Round to the Nearest Dollar	Column B Total Everywhere Round to the Nearest Dollar	Column C Ratio Within Arizona A ÷ B
Value of real and tangible personal property (by averaging the value of owned property at the beginning and end of the tax period; rented property at capitalized value)			
a. Owned property (at original cost):			
Inventories			
Depreciable assets - (do not include Construction in Progress).............			
Land..			
Other assets - (describe) _____			
Less: Nonbusiness property (if included in above totals)	( )	( )	
Total of section a...			
b. Rented property (capitalize at 8 times net rental paid)			
c. Total owned and rented property (section a total plus section b).............			●

A2 Payroll Factor

Total wages, salaries, commissions and other compensation to employees (per federal Form 1120-S or payroll reports)			●

A3 Sales Factor

a. Sales delivered or shipped to Arizona purchasers..................................			
b. Other gross receipts			
c. Total sales and other gross receipts			
d. Weight Arizona sales - (STANDARD uses X 2; ENHANCED uses X 8)..........	X 2 OR X 8		
e. Sales factor (for column A - multiply item c by item d; for column B - enter the amount from item c)................................			●

A4 Total ratio - add A1(c), A2, and A3(e), in column C .... | | | ● |

A5 Average apportionment ratio - divide line A4, column C, by the denominator (STANDARD divides by four (4); ENHANCED divides by ten (10)). Enter the result in column C, and on page 1, line 7 .... | | | ● |

Schedule B - Other Information

B1 Date business began in Arizona or date income was first derived from Arizona sources   .

B2 Address at which tax records are located for audit purposes: _____
_____

B3 The taxpayer designates the individual listed below as the person to contact to schedule an audit of this return and authorizes the disclosure of confidential information to this individual. (See instructions, page 9.)
Name and title _____ Phone number _____

B4 List prior taxable years for which a federal examination has been finalized _____
_____

NOTE: ARS § 43-327 requires the taxpayer, within ninety days after final determination, to report these changes under separate cover to the Arizona Department of Revenue or to file amended returns reporting these changes. (See instructions, page 1.)

B5 Amount of net income subject to Arizona corporate income tax for prior taxable year (2009 Form 120S, line 11.) _____

B6 Indicate tax accounting method: Cash ☐   Accrual ☐   Other ☐   (Specify method.) _____

Schedule C - Shareholder Information   Prepare a schedule that lists each shareholder's name, address, TIN, and pro rata share of the amount shown on line 1. Label the listing as "Schedule C - Shareholder Information" and attach the schedule immediately after page 2 of Form 120S.

Certification   The following certification must be signed by one or more of the following officers (president, treasurer, or any other principal officer).

Under penalties of perjury, I (we), the undersigned officer(s) authorized to sign this return, declare that I (we) have examined this return, including the accompanying schedules and statements, and to the best of my (our) knowledge and belief, it is a true, correct and complete return, made in good faith, for the taxable year stated pursuant to the income tax laws of the State of Arizona.

Please Sign Here

_____		_____
Officer's signature	Date	Title
_____		_____
Officer's signature	Date	Title

Paid Preparer's Use Only

_____		_____
Preparer's signature	Date	Preparer's EIN, PTIN or SSN
_____		_____
Firm's name (or preparer's, if self-employed)		Firm's ☐ EIN or ☐ SSN
_____		_____
Firm's address	Zip code	Firm's telephone number