

Combined or Consolidated Return Affiliation Schedule

For information or help, call one of the numbers listed:
 Phoenix (602) 255-3381
 From area codes 520 and 928, toll-free (800) 352-4090

Tax forms, instructions, and other tax information
 If you need tax forms, instructions, and other tax information, go to the department's website at www.azdor.gov.

Income Tax Procedures and Rulings
 These instructions may refer to the department's income tax procedures and rulings for more information. To view or print these, go to our website and click on *Legal Research* then click on *Procedures* or *Rulings* and select a tax type from the drop down menu.

Publications
 To view or print the department's publications, go to our website and click on *Publications*.

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, or file a separate combined return to Arizona.

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

NOTE: *If you are including Form 51 with your return, be sure to check the "Yes" box on page 1 of Form 120, line D.*

Complete Section 1 of this form for the first taxable year that a unitary group files a combined return or an Arizona affiliated group files a consolidated return. Include Form(s) 51 immediately following page 4 of Form 120.

- For a consolidated group, the affiliated group consists of all companies included in the federal consolidated return.
- For a combined group, 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 ("related company").
- For a federal consolidated group and related companies consisting of more than one combined group, the combined group filing the form should list the other combined group as filing separate.

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

Complete Section 2 and Section 3 of this form for succeeding taxable years if there were any additions to or deletions from the affiliated group and related companies (including name changes) or changes in affiliates filing on a separate company basis. Include Form(s) 51 immediately following page 4 of Form 120.

Specific Instructions

Fiscal Year

If the combined or consolidated parent corporation files a fiscal year return, indicate the taxable year of the combined or consolidated parent corporation at the top of Form 51.

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.

If the taxpayer has a foreign address, enter the information in the following order: city, province or state, and country. Follow the country's practice for entering the postal code. **Do not abbreviate the country's name.**

Section 1: Listing of Affiliated Corporations Combined or Consolidated in This Return or Filing Separate Returns

Complete Section 1 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 affiliates and related companies that file separate income tax returns to Arizona. If Section 1 is completed, do not complete Section 2 or Section 3.

In the "Arizona Filer?" column, check the box of those affiliates that previously have filed a return to Arizona. For example, if an affiliate filed a combined return, check the box of only the company that was identified on the top of page 1 on the original return. In addition, check the box of those companies that previously filed separate company returns to Arizona.

In the "F/C/S" column, identify which type of return the affiliate is filing to Arizona. Use "F" for consolidated return, "C" for combined return, or "S" for separate company return. If the combined group filing this form has an affiliated combined group, mark the affiliate that the affiliated combined group files under with an "S".

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 affiliates that were added or deleted during the taxable year. For each affiliate that was added or deleted, indicate the period of time (by month and year in an MM/YYYY format) the affiliate was part of the group. For example, if a calendar year basis taxpayer acquired an affiliate in June 2016, the period listed would be "06/2016 - 12/2016".

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 15 affiliated corporations, include additional Form(s) 51 immediately after the first Form 51.

Alternatively, if there are more than 15 affiliated corporations, Form 51 may be filed by optical media. Optical media filing can be used *only* for Section 1 information.

Section 2: Corporations Added to the Affiliated Group During the Taxable Year

Do not complete Section 2 if Section 1 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 and related companies that will file separate company returns to Arizona. If there were more than 10 corporations added during the taxable year, include additional Form(s) 51 immediately after the first Form 51. Enter the name and employer identification number of the corporation filing Form 51 on the top of page 2 of Form 51.

In the "Arizona Filer?" column, check the box of those affiliated members or related companies 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, check the box of 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 or related company is filing to Arizona. Use "F" for consolidated return, "C" for combined return, or "S" for separate company return. If a combined group has an affiliated combined group, mark the member that the affiliated combined group files under with an "S".

Use the "Month Added" column to indicate the number of the month during the taxable year the affiliate was added to the affiliated group. For example, if the affiliate 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 3: Corporations Deleted From the Affiliated Group During the Taxable Year

Do not complete Section 3 if Section 1 was completed for this taxable year. In Section 3, list those corporations that were deleted from the combined or consolidated group during the taxable year. In addition, list any affiliates and related companies 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, include additional Form(s) 51 immediately after the first Form 51. Enter the name and employer identification number of the corporation filing Form 51 on the top of page 2 of Form 51.

In the "Arizona Filer?" column, check the box of those affiliates or related companies that previously have filed returns to Arizona. For example, if an affiliate filed a

combined return, indicate only the company that was identified on the top of page 1 on the original return. In addition, check the box of those companies that previously filed separate company returns to Arizona.

In the "F/C/S" column, identify which type of return the affiliate or related company was filing to Arizona. Use "F" for consolidated return, "C" for combined return, or "S" for separate company return. If the combined group filing this form has an affiliated combined group, mark the affiliate that the affiliated combined group files under with an "S".

Use the "Month Deleted" column to indicate the number of the month during the taxable year the affiliate was deleted from the affiliated group. For example, if the affiliate 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, related company, or affiliate filing a separate company return to Arizona, had a name change during the taxable year, the taxpayer should provide the following information:

- All information (using the new name) as requested in Section 2 and, in addition, check the "Name Change?" box. Enter the month the company began operations under the new name in the "Month Added" column. For example, if the affiliate's name changed in June, use the number "06".
- All information (using the old name) as requested in Section 3 and check the "Name Change?" box. Use the "Month Deleted" column to indicate the number of the month during the taxable year that the affiliate ceased operating under the old name. For example, if the affiliate's name changed in June, use the number "06".