

Financial Services Development Credit Worksheet - For Pass-through to Shareholders

Taxpayer Name: _____

EIN/SSN: _____ Fiscal Year Ending: _____

Business Name: _____

Was a credit claimed last year? If so, has the entity ceased to employ in Vermont, for a period in excess of 120 consecutive days, at least 65% of the number of employees in Vermont as of the year (up to six years) a tax credit was taken under this statute? (32 V.S.A. §5922)
Yes _____ No _____

If you answered "Yes" to this question, you may not claim additional Financial Services Development Credits. You may also be required to repay a portion of the credits taken pursuant to the recapture provisions of 32 V.S.A. §5922(e). Attach a copy of this form to VT Personal Income tax filing when completed.

Number of full time/part time VT employees at start of year: _____/_____

Number of full time/part time VT employees at end of year: _____/_____

Total payroll paid to VT employees last year: \$ _____

Total payroll paid to VT employees this year: \$ _____

1. Tax Liability from Financial Services

(a) Total tax liability before this credit (Take from IN-111, Line 22) 1(a) \$ _____

(b) Percentage of gross income from financial services:
(Gross income from business as Investment Advisor, Manager and Investment Company divided by gross income from all sources.) Take figure from Shareholder's K-1 income, plus personal income Schedule E, Line 32 and Schedule C, if there are other employees from the sole proprietor. 1(b) _____%

(c) Multiply Line 1(a) by Line 1(b). 1(c) \$ _____

2. Apportioned Ratio

(a) Revenue from assets under management or other investment business for nonVermont residents (Comes from their software supporting the breakdown of Revenue on all nonVermont clients). 2(a) \$ _____

(b) Total revenue from assets under management or other investment business (Total revenue from BA-402, Line 2, from all sources everywhere for all clients in Vermont). 2(b) \$ _____

(c) Divide Line 2(a) by Line 2(b) 2(c) _____%

3. Multiply Line 1(c) by Line 2(c) 3. \$ _____

4. Apportioned Payroll Ratio

(a) Individual compensation for services performed in Vermont (Take from BA-402, Line 13 (b)) 4(a) \$ _____

(b) Total payroll expenses (Take from BA-402, Line 13 (a)) 4(b) \$ _____

(c) Divide Line 4(a) by Line 4(b) 4(c) \$ _____

5. Credit (Before application of any limitations) Multiply Line 3 by Line 4(c) 5. \$ _____

6. Credit: Enter lesser of Line 1(c) or Line 5 (Cannot be more than 75% of the Vermont pre-credit tax from IN-111, Line 22) 6. \$ _____

**** If the activity subject to credit is conducted by a Limited Liability Company, Partnership or S Corporation, the entity should calculate the portion of its Apportioned Ratio and Apportioned Payroll ratio on a master schedule. Member, partner or shareholder claiming the credit should attach a copy of the master schedule. REV: 12/31/05**