

SCHEDULE CO-419 Instructions

Apportionment of Foreign Dividends (for Unitary Only)

General Information

Schedule CO-419 is used to compute the modified apportionment percentage and then the amount of foreign dividends to be included in Vermont taxable income for all taxable affiliates in the group.

Prior to completing Schedule CO-419, first complete Schedule BA-402, Apportionment & Allocation Schedule, and Schedule CO-420, Foreign Dividend Factor Increments (for Unitary only), for each entity that pays dividends to the group.

- From the completed Schedule BA-402, enter the amounts from Lines 13A and 13B to Schedule CO-419, Lines 1A and 1B, respectively. Make sure that the entity name and FEIN match on both forms.
- Complete Schedule(s) CO-420. The amounts calculated on Schedule(s) CO-420 must be carried to Schedule CO-419.
- Schedule CO-420 is used to determine factor increments to adjust the apportionment percentage for foreign dividends. It is not required. If not prepared, the apportionment percentage applied to foreign dividends will be the same as that calculated on the taxpayer's Schedule BA-402.

If there is only one entity paying foreign dividends, and therefore a single Schedule CO-420, the increment reported on Schedule CO-419, Line 2, is carried forward from Schedule CO-420, Line 10.

The sales and receipts increment (Both Lines 10 from all attached Schedules CO-420) will be entered onto Line 2 of Schedule CO-419.

Line-by-Line Instructions

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| Line 1 | Transcribe amounts from Schedule BA-402, Lines 13A and 13B. |
| Line 2 | The sales and receipts increment (Both Lines 10 from all attached Schedules CO-420) will be entered onto Line 2 of Schedule CO-419. |
| Line 3 | Add Lines 1A and 2A. Enter the result here. |
| Line 4 | Line 1B divided by Line 3A. Multiply the result by 100 and carry the result out to the sixth decimal place. |
| Line 5 | Enter the amount of taxable foreign dividends which qualify for factor relief here. This amount must agree with Schedule(s) BA-402, Part 1, Line 2A and Form CO-411, Corporate Income Tax Return, Line 4d. |
| Line 6 | Multiply Line 5 by the modified apportionment percentage on Line 4. This is the Vermont Foreign Dividends Taxable Income. Enter this amount here and also on Schedule BA-402, Part 1, Line 2B. The amount will carry forward to Form CO-411, Line 9. |

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