

# SCHEDULE CO-419 Instructions

## Apportionment of Foreign Dividends - Unitary Filing 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.

Complete a Schedule CO-419 for each taxable affiliate in the combined group. If some or all members of the unitary group are electing to be treated as a consolidated filer within the unitary group, prepare one CO-419 combining the information of all included companies.

Prior to completing Schedule CO-419, first complete Schedule BA-402 for each affiliate and Schedule CO-420 for each entity that pays dividends to the group.

- Complete Schedule BA-402, Part 2 and enter the amount of Everywhere and Vermont Sales, Salaries and Wages, and Property on Lines 1, 6, and 10 respectively, on Schedule CO-419 for that affiliate, as matched by affiliate's name and FEIN in the header areas.
- Complete Schedule(s) CO-420. The Foreign Dividend Increments calculated on the CO-420(s) for Sales and Receipts, Salaries and Wages, and Property must be carried to the CO-419(s).
- 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 CO-420, the increments reported on Lines 2, 7, and 11 of CO-419 are carried forward from CO-420, Lines 10, 12, and 20, respectively.

If there are multiple CO-420s, the increments reported will be the sums of the values of the designated lines across all CO-420s attached to the return. For example, CO-419, Line 2 would be the sum of all CO-420, Line 10 from all attached CO-420s.

### Line-by-Line Instructions

<b>Line 1</b>	Transcribe amounts from Schedule BA-402, Lines 12a and 12b.
<b>Line 2</b>	Enter the Sales Increment. CO-420 Line 10, or the sum of Lines 10 of all CO-420s, if there are more than one.
<b>Line 3</b>	Add Lines 1(A) and 2(A). Enter the result here.
<b>Line 4</b>	Line 1(B) divided by Line 3(A). Express as a percent with 6 digits to the right of the decimal.
<b>Line 5</b>	Multiply Line 4 by 2. Express as a percent with 6 digits to the right of the decimal.
<b>Line 6</b>	Transcribe the amounts from Schedule BA-402, Lines 13a and 13b.
<b>Line 7</b>	Enter the Salaries and Wages Increment. CO-420, Line 12, or the sum of Lines 12 of all CO-420s, if there are more than one.
<b>Line 8</b>	Add Lines 6(A) and 7(A). Enter the result here.

<b>Line 9</b>	Line 6(B) divided by Line 8(A). Express as a percent with 6 digits to the right of the decimal.
<b>Line 10</b>	Transcribe the amounts from Schedule BA-402, Lines 20a and 20b.
<b>Line 11</b>	Enter the Property Increment. CO-420, Line 20, or the sum of Lines 20 of all CO-420s, if there are more than one.
<b>Line 12</b>	Add Lines 10(A) and 11(A). Enter the result here.
<b>Line 13</b>	Line 10(B) divided by Line 12(A). Express as a percent with 6 digits to the right of the decimal.
<b>Line 14</b>	Add Lines 5, 9, and 13, and enter the sum here.
<b>Line 15</b>	<p>Divide Line 14 by 4 or see the NOTE below. Express as a decimal to 6 places.</p> <p><b>NOTE:</b> If there are less than 3 factors with an “Everywhere” denominator, then divide Line 14 as follows:</p> <ul style="list-style-type: none"> <li>• Sales/Receipts and Salaries and Wages. . . . . Divide by 3</li> <li>• Sales/Receipts and Property . . . . . Divide by 3</li> <li>• Payroll and Property . . . . . Divide by 2</li> <li>• Sales/Receipts only . . . . . Divide by 2</li> <li>• Property OR Salaries and Wages only . . . . . Divide by 1</li> </ul> <p>Enter the result of your calculation on Line 15 expressed as a decimal to 6 places. This is the modified apportionment percentage to be applied to taxable foreign dividends.</p>
<b>Line 16</b>	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 1c and CO-411, Line 4(d).
<b>Line 17</b>	Multiply Line 16 by the modified apportionment percentage on Line 15. This is the Vermont Foreign Dividends Taxable Income. Enter this amount here and also on Schedule BA-402, Part 1, Line 1d of this affiliate. The amount will carry forward to CO-411, Line 10 if this is the PVC, or CO-421, Line 5 for this affiliate, if this is an affiliate company.

## Contacting the Department

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