



2004 Oklahoma Corporate Income Tax Forms and Instructions

Packet contains:

- Instructions for completing the Form 512
- Two 512 corporation income tax forms
- One return envelope

Filing date:

- Your Oklahoma return is due the same date as your Federal return.

Need assistance or have a tax question?

- Check out page 12 for methods to contact us.

Looking for a
better way to
file your business
taxes?
See page 4 for
information on
QuickTax!

Oklahoma Tax Commission





What's New in the 2004 Oklahoma Packet?

- There is one new credit available on Form 511CR, "Credit for Qualified Ethanol Facilities". See page 8 for information on how to obtain the Form 511CR.

- There are five new opportunities to make a donation from your refund. See page 9 for more information.

General Filing Information

Liability for Filing Your Return...

Every resident or foreign corporation subject to taxation under Oklahoma statutes shall make a return, whether or not it shall have any net income.

NOTE: Small Business Corporations (Subchapter S) must use Form 512-S.

Time and Place for Filing...

The return must be filed on or before the 15th day of the third month following the close of the taxable year, with the Oklahoma Tax Commission, PO Box 26800, Oklahoma City, Oklahoma 73126-0800. A valid extension of time in which to file your Federal return automatically extends the due date of your Oklahoma return if no Oklahoma liability is owed. A copy of the Federal extension must be enclosed with your Oklahoma return. If your Federal return is not extended or an Oklahoma liability is owed, an extension of time to file your Oklahoma return may be granted on Form 504. The Form 504 must be filed on or before the due date of the return.

90% of tax liability must be paid with the extension to avoid delinquent penalty for late payment. 100% of tax liability must be paid with the extension to avoid delinquent interest for late payment.

In the case of complete liquidation or the dissolution of a corporation, the return shall be made on or before the 15th day of the fourth month following the month in which the corporation is completely liquidated (or Federal due date).

Consolidated Returns...

If a Federal Consolidated return is filed, an Oklahoma Consolidated return may be required or permitted under certain circumstances.

An election to file a separate return or consolidated return is made with the timely filing of the return. If an affiliated group of corporations elects to file a consolidated Oklahoma income tax return, such election shall be binding and the affiliated group of corporations shall be required to file a consolidated Oklahoma income tax return for all future tax years unless the Oklahoma Tax Commission releases the affiliated group of corporations from such election.

In filing a Consolidated Income Tax Return for Oklahoma, the Oklahoma taxable income for each corporation is computed separately on its own factors and then combined for one total income upon which the tax is computed. Report combined taxable income on page 1, line 1 of Form 512. Submit a separate Schedule A or Schedule B for each company within the consolidation.

Enclose a copy of the Federal Consolidated return with an income statement, balance sheet, M-1, M-2 and supporting schedules for each member of the consolidated group. Title 68 O.S. Section 2367.

Fiscal Year and Short Period Returns...

For all fiscal year and short period returns, the beginning and ending dates of the tax year must be shown on the top portion of the return where indicated. Omission of this information may cause a significant delay in the processing of the return and no interest will accrue on any refund pending.

Don't forget to sign your tax return and include a copy of your Federal return.



General Filing Information

Special Instructions Regarding Form 512, Page 4...

Complete Page 4 or attach a copy of the Federal Form 1120 Schedules L, M-1 and M-2 or Form 1120-A, Parts III and IV. Corporations that are not required to complete Federal Form 1120 Schedules L, M-1 and M-2 or Form 1120-A, Parts III and IV are still required to complete the Oklahoma Form 512 Page 4 - Balance Sheets, Reconciliation of Income per Books with Income per Return and Analysis of Unappropriated Retained Earnings per Books.

Declaration of Estimated Tax...

Corporations must make estimated tax payments when the tax liability for the current year can reasonably be expected to be \$500.00 or more. The estimated tax payments shall be the lesser of 70% of your current year's tax liability or 100% of the tax liability shown on your return for the preceeding taxable year of 12 months.

The estimated tax payments shall be paid in four equal* installments of:

- one-quarter on or before the 15th day of the fourth month of the taxable year;
- one-quarter on or before the 15th day of the sixth month of the taxable year;
- one-quarter on or before the 15th day of the ninth month of the taxable year;
- one-quarter on or before the 15th day of the first month of the succeeding taxable year;

Amended declarations may be filed on any of the payment dates. The Form OW-8-ESC, for filing estimated payments, will be provided upon request.

*For purposes of determining the amount of tax due on any of the respective dates, taxpayers may compute the tax by placing taxable income on an annualized basis as prescribed in Rule 710:50-13-9.

There is no provision in the present law for tentative returns.

Adjustments by Internal Revenue Service...

Taxpayers who file "consents" extending the time for making Federal adjustments automatically extend the time for making State adjustments. Also, the taxpayer is required to file an amended return reporting all Internal Revenue Agents' adjustments. A copy of the finalized RAR must be furnished.

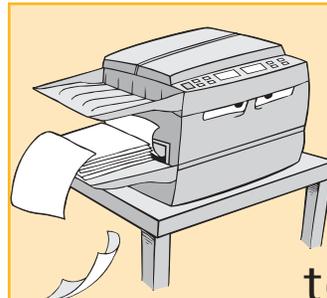
Amended Returns...

Use Form 512X for all amended returns. Enclose Federal Forms 1120X or 1139 and proof of disposition by the Internal Revenue Service when applicable.

An overpayment on an amended return may not be credited to estimated tax, but will be refunded. The amount applied to estimated tax on the original return cannot be adjusted.

Banks and Credit Unions...

State and National Banks and State Credit Unions are subject to an "In Lieu" tax. See Title 68 O.S. Section 2370 and Title 68 O.S. Section 1201 et seq. (Franchise Tax). When reporting income on Schedule A, line(s) 5 and/or 6b, please furnish a detailed schedule of the interest income by source and amount. Expense deductions claimed in arriving at taxable income shall be reduced by an amount equal to 50% of excluded interest income on obligations of the United States government or agencies thereof and obligations of the State of Oklahoma or political subdivisions thereof.



**Don't Forget
to Make a Copy
of your Return for your
Records before Mailing!**

General Filing Information

Oklahoma Net Operating Loss Deduction...

Notice: The amount of any net operating loss claimed on Schedule A, line 29a or Schedule B, line 6d, must also be entered on the front of Form 512 in the space provided at the top of the form.

The amount of any Federal net operating loss deduction shall be adjusted as follows:

For carryovers and carrybacks to taxable years beginning after December 31, 1980, the amount of any net operating loss deduction allowed for the taxable year shall be an amount equal to the aggregate of the Oklahoma net operating loss carryovers and carrybacks to such year. Oklahoma net operating losses shall be separately determined by reference to Section 172 of the Internal Revenue Code as modified by the Oklahoma Income Tax Act and shall be allowed without regard to the existence of a Federal net operating loss. For tax years 1996-

2000, net operating losses may not be carried back but may be carried forward for a period of time not to exceed 15 years. **For tax years 2001 and subsequent, net operating losses may be carried forward and back in accordance with Section 172 of the Internal Revenue Code.** Title 68 O.S. Section 2358 (A)(3).

A detailed schedule must be furnished for any net operating loss carried forward to the current tax year.

An election may be made to forego the carryback period. A written statement of the election must be part of the the original timely filed Oklahoma loss year return. However, if the corporation timely filed its return for the loss year without making the election, it may make the election on an amended return filed within 6 months of the due date of the loss year return (excluding extensions). Attach the election to the amended return. Once made, the election is irrevocable.



**Let Us
Do the
Math
for You!**

You spend enough time running numbers. When it comes to filing Oklahoma business taxes, let us do the math for you!

The Oklahoma Tax Commission's QuickTax online business tax filing system is just a few clicks of your mouse away.

Tax types available at this time include:

- Sales Tax
- Use Tax (vendor and consumer)
- Withholding Tax
- Nonresident Royalty Withholding Tax
- Tourism Tax
- Waste Tire Tax
- Mixed Beverage Tax

**If you have
any questions,
give us a call at
(405) 521-3160.**

Not only can you file your reports online, but the system also offers payment options including ACH debit, ACH credit, and credit card.

Once you become familiar with the process, which is set up just like your paper forms, you will find that filing your taxes on the QuickTax system is faster and much easier than the paper method.

Filing online also has other benefits. For sales tax filers, you receive the full 2.25% discount if you file and pay through the QuickTax system. Paper filers only receive a 1.25% discount. Also, when you finish, you will receive a confirmation number, giving you the peace of mind in knowing your report and payment have been received by the Oklahoma Tax Commission.

It is fast, easy, and we do all the math for you. Log on to our website at www.oktax.state.ok.us. Select "Online Filing" and then "QuickTax".



Line by Line Instructions

General Instructions for Determining Oklahoma Taxable Income

Income Computation...

Beginning with Federal taxable income, proper adjustments are to be made to arrive at Oklahoma taxable income. Some of the adjustments may be to add interest income from obligations of state and political sub-divisions thereof, and to deduct interest from U.S. obligations. Oil and mining production or royalties and gain or loss from disposition of such property shall be allocated according to their situs. General and administrative expenses, such as interest expense, etc., will ordinarily be allocated on the basis of Oklahoma direct expense to total direct expense.

• **Indian Employment Exclusion:**

Schedule A, Line 26, column B or Schedule B, Line 3

All qualified wages equal to the Federal Indian Employment Credit set forth in 26 U.S.C.A., Section 45A, shall be deducted from taxable income. Deduct on the Oklahoma return, an amount equal to the reduction of salaries and wages reported on the Federal return as a result of the Form 8845 "Indian Employment Credit". The deduction allowed shall only be permitted for the tax years in which the Federal credit is allowed, even if not used in such year because of tax liability limit. Enclose a copy of the Federal return, Form 8845 and if applicable, Form 3800.

• **Employers Providing Child Care Programs for their Employees:**

*Schedule A, Line 10, column B
or Schedule B, Line 6 as an addition*

Employers incurring expenses to provide Oklahoma child care services for children of their employees may be allowed a credit. If the credit is allowed, the eligible expenses upon which the credit is based must be added back to arrive at Oklahoma taxable income. See Form 511CR, #12 for the credit. Enclose a schedule of eligible expenses and the computation of the credit. Title 68 O.S. Section 2357.26 and Rule 710:50-15-91.

• **Agricultural Commodity Processing Facility Exclusion:**

Schedule A, Line 26, column B or Schedule B, Line 6

Owners of agricultural commodity processing facilities may exclude 15% of their investment costs in a new or expanded agricultural commodity processing facility located within Oklahoma. Agricultural commodity processing facility means building, structures, fixtures and improvements used or operated primarily for the processing or production of agricultural commodities to marketable products. The investment is deemed made when the property is placed in service.

Under no circumstances shall this exclusion lower your taxable income below zero. In the event the exclusion does exceed taxable income, any unused portion may be carried over for a period not to exceed six years. A schedule must be enclosed showing the type of investment(s), the cost of the investment, and the date placed in service.

Credit Card Payments Accepted

You can pay the balance due on individual and corporate income tax returns by credit card. Payments can be made for tax year 2004 and all years prior. Estimated income tax payments may also be made by credit card. Payments can be made one of two ways:

1 You can log on to our website at www.oktax.state.ok.us. Click on the "Payment Options" link and pay your balance due online.

2 Or, you can call **1-800-2PAY-TAX** to pay your balance due over the phone.

(Note: If you live outside of Oklahoma, you will need to enter the jurisdiction code "4600" to use this service via telephone.)



Please keep in mind that there is a convenience fee of 2.5% for utilizing this service and is based on the amount of the charged balance due. For more information regarding this service, please visit our website at www.oktax.state.ok.us or call our Taxpayer Assistance Office at (405) 521-3160.

Line by Line Instructions

General Instructions - continued...

- **First Year Bonus Depreciation:**

- **30% First Year Bonus Depreciation...**

*Schedule A, Line 10, column B or
Schedule B, Line 2 as an addition*

-or-

*Schedule A, Line 21, column B or
Schedule B, Line 6 as a deduction*

Federal taxable income shall be increased by 80% of any amount of bonus depreciation received under the Federal Job Creation and Worker Assistance Act of 2002. Any amount added back can be reclaimed in a later year. In the first taxable year beginning after the bonus depreciation was added back and for the next three taxable years, subtract 25% of the amount added back.

If the bonus depreciation is claimed on the current year's Federal return, enter 80% of such bonus depreciation on Schedule A, Line 10, column B or on Schedule B, Line 2. For corporations filing Schedule B, the bonus depreciation will be apportioned to determine the amount added back to Oklahoma taxable income.

If the bonus depreciation was claimed on a previous year's Federal return, subtract 25% of the amount of bonus depreciation added back in such year. Subtract the depreciation on Schedule A, Line 21, column B or on Schedule B, Line 6. For corporations filing Schedule B in the initial year, 25% of the bonus depreciation that was apportioned to Oklahoma in such initial year is subtracted (do not use the amount of bonus depreciation added back on Schedule B, Line 2 of the initial year).

Enclose a schedule of your computation.

Note: Limited Liability Companies are not corporations subject to this adjustment.

- **50% First Year Bonus Depreciation...**

No adjustment is required for those corporations who are claiming the 50% bonus depreciation received under the Jobs and Growth Tax Relief Reconciliation Act of 2003.

Page Two - Schedule A

Schedule A is to be used by all corporations domesticated in Oklahoma deriving all of their income within Oklahoma or by corporations whose business within and without Oklahoma is oil and gas production, mining, farming, or rental. This should be completed using the direct accounting method.

Income (loss) shall be allocated in accordance with the situs of such property. Overhead expense shall be allocated on the basis of direct expense in Oklahoma to the total direct expense everywhere.

Line 5 -

Interest on U.S. Government Obligations

If you report interest on bonds, notes, and other obligations of the U.S. on your Federal return, it may be excluded from your Oklahoma income if a detailed schedule is furnished, accompanied with 1099's showing the amount of interest income and the name of the obligation from which the interest is earned. If the interest is from a mutual fund which invests in government obligations, enclose a detailed schedule from the mutual fund showing the amount of monies received from each obligation or the percentage of funds received from each obligation. **Interest from entities such as FNMA & GNMA does not qualify.**

Line 6a - Other Interest

Accounts receivable interest income and interest income from investments held to generate working capital shall be allocated to Oklahoma on the basis of direct expense.

All other intangible income (loss) shall be allocated in accordance with the situs of the Corporation.

Line 6b - State and Municipal Interest

Corporations domiciled in Oklahoma who receive income on bonds issued by any state or political subdivision thereof exempt from Federal taxation but not exempt from taxation by the laws of the State of Oklahoma, shall add the total of such income to arrive at Oklahoma income. Income from Oklahoma municipal bonds, issued prior to July 2, 2001, is exempt only if so provided by the statute

Line by Line Instructions

Page Two - Schedule A continued

authorizing their issuance. Interest on local Oklahoma governmental obligations issued after July 1, 2001 shall be exempt from Oklahoma income tax, except those issued for the purpose of providing financing for projects for nonprofit corporations. Local governmental obligations shall include bonds or notes issued by, or on behalf of, or for the benefit of Oklahoma educational institutions, cities, towns, or counties or by public trusts of which any of the foregoing is a beneficiary. All out-of-state municipals are taxable.

Line 7 and 8 - Rents and Royalties

Income from real or tangible personal property, lease royalty or bonus shall be allocated in accordance with the situs of the property.

Line 9 - Gains or Losses

Gains or losses from the sale of leases and gains or losses from the sale of real and tangible personal property, shall be allocated in accordance with the situs of the property.

Line 12 through 26 - Expenses

Expenses relative to the income above shall be allocated directly to that income.

Page Three - Schedule B

Schedule B is to be used by corporations conducting a business of a unitary nature. A unitary business is one whose income is derived from the conduct in more than one state of a single business enterprise, all the factors of which are essential to the realization of an ultimate gain derived from the enterprise as a whole, and not from its component parts which are too closely connected and necessary to each other to justify division or separate allocation.

Generally the resulting amount is apportioned to Oklahoma based on the 3-factor formula. The basis of the apportionment is the arithmetical average of three factors consisting of property, payroll and sales. NOTE: FACTORS ARE NOT COMPUTED FROM THE CONSOLIDATED TOTALS. Each factor is a ratio of the total within Oklahoma to the total everywhere.

For income apportioned to Oklahoma, there is to be added all income separately allocated to Oklahoma with the result being Oklahoma taxable income. Title 68 O.S. Section 2358.

Line 1 - Federal Taxable Income

Enter Net Taxable Income from Federal return.

Line 2 - Additions

Deductions relating to income which is separately allocated shall not be allowed and will be entered here.

Line 3 - Deductions

Income from U.S. obligations (see page 6, Schedule A instructions) and net income separately allocated (oil and gas production, mining, farming, or rentals) will be entered here. Gains or losses from sale of intangible personal property which is directly allocated should also be entered here.

Line 6 - Oklahoma Additions and Deductions

Income separately allocated to Oklahoma should be entered here (interest income from state obligations or political subdivisions, oil and gas production, mining, farming or rentals, etc.).

Line 8 - Oklahoma Accrued Tax

Oklahoma accrued tax is computed by dividing line 7 (Oklahoma Net Income before Oklahoma Income Tax) by the number 17.6667.

When filing a consolidated return, the accrual of Oklahoma State Income Tax must be made after the combination of the income and loss from all companies included in the combination. The accrued tax cannot be less than zero.

When credits are allowed, the accrual of Oklahoma tax will not be allowed on the amount of Oklahoma taxable income that is covered by the credit. Tax accrual is allowed on the amount of income for which tax is actually paid. The following example shows how the accrual should be calculated. A schedule, such as the example below, should be enclosed and submitted with Form 512.

Line by Line Instructions

Page Three - Schedule B continued

Computation of Tax Accrual When Tax Credits Are Allowable

1. Oklahoma income before tax accrual	100,000
2. Allowable Oklahoma credits	2,000

Computation of accrued tax allowed

A. Oklahoma income (Line 1 above)	100,000
B. Line 2 above divided by 6%	33,333
C. Subtract Line B from Line A	66,667
D. Divide Line C by 17.6667 (If Line D is less than 0, enter 0)	3,774

3. Subtract Line D from Line 1 above.	96,226
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(Enter Line 3 above on Line 1, page 1 of your Oklahoma corporation income tax Form 512)

Total tax due	5,774
Tax accrual allowed	3,774
Tax credit allowed	2,000

Page One

Line 3 - Oklahoma Investment Jobs Credit

Corporations engaged in manufacturing (including partnership or Sub-S pass through) who are entitled to Oklahoma Investment/New Jobs Credit see Form 506. (This credit has no relationship to Federal Investment Credit.) Title 68 O.S. Section 2357.4.

Line 4 - Gas Used in Manufacturing

A credit is available at the rate of three mills per thousand cubic feet of gas used or consumed during each taxable year when used in manufacturing. This shall not apply to the first twenty-five thousand MCF used or consumed. Title 68, Section 2357(C).

Line 5 - Credit for Hazardous Waste Control

Enclose verification certificate from the Oklahoma Department of Environmental Quality. Credit is limited to 20% of amount certified or actual cost, whichever is less. Title 27A O.S. Section 2-11-303.

Line 6 - Other Credits

The amount of other credits as claimed on Form 511CR should be entered on this line. Enter in the box the number that corresponds with the credit to which you are entitled. Enter

“99” if entitled to more than one credit. See below for a list of the credits available on Form 511CR. If you are claiming any of the credits on Form 511CR, please enclose the form with your Form 512 return.

The Form 511CR can be obtained by calling our forms request line at (405) 521-3108 or from our website at www.oktax.state.ok.us.

Notice: Credits claimed on Form 512 may not be duplicated on Form 511CR and claimed as other credits, i.e. “Oklahoma Investment Jobs Credit”.

Coal Credit

Title 45, Section 939, Title 68 O.S. Section 2357.11 and Rule 710:50-15-76.

Credit for Energy Assistance Fund Contribution

Title 68 O.S. Section 2357.6.

Venture Capital Credit

Title 68 O.S. Section 2357.7,8 and Rule 710:50-15-77, 78.

Credit for Conversion of a Motor Vehicle to Clean Burning Fuels or Investments in Qualified Electric Motor Vehicle Property

Title 68 O.S. Section 2357.22 and Rule 710:50-15-81.

Credit for Qualified Recycling Facility

Title 68 O.S. Section 2357.59 and Rule 710:50-15-84.

Small Business Capital Credit

Title 68 O.S. Section 2357.60 - 2357.65 and Rule 710:50-15-86. Enclose Form 527-A.

Oklahoma Agricultural Producers Credit

Title 68 O.S. Section 2357.25 and Rule 710:50-15-85. Enclose Form 520.

Small Business Guaranty Fee Credit

Title 68 O.S. Section 2357.30 or Section 2370.1. Enclose Form 529.

Credit for Employers Providing Child Care Programs

Title 68 O.S. Section 2357.26 and Rule 710:50-15-91.

Credit for Entities in the Business of Providing Child Care Services

Title 68 O.S. Section 2357.27.

Credit for Food Service Establishments that Pay for Hepatitis A Vaccination for their Employees

Title 68 O.S. Section 2357.33.

Credit for Commercial Space Industries

Title 68 O.S. Section 2357.13.

Credit for Nonstop Air Service from Oklahoma to the Coast

Title 68 O.S. Section 2357.28.

Line by Line Instructions

Page One continued

Credit for Tourism Development

Title 68 O.S. Section 2357.34 - 2357.40.

Oklahoma Local Development and Enterprise Zone Incentive Leverage Act Credit

Title 68 O.S. Section 2357.81.

Credit for Qualified Rehabilitation Expenditures Incurred with any Certified Historical Hotel or Historical Newspaper Plant Building

Title 68 O.S. Section 2357.41.

Credit for Space Transportation Vehicle Provider

Title 68 O.S. Section 2357.42 and Rule 710:50-15-93.

Rural Small Business Capital Credit

Title 68 O.S. Section 2357.71 - 2357.76 and Rule 710:50-15-87.

Credit for Electricity Generated by Zero-Emission Facilities

Title 68 O.S. Section 2357.32A.

Credit for Financial Institutions Making Loans Under the Rural Economic Development Loan Act

Title 68 O.S. Section 2370.

Credit for Manufacturers of Small Wind Turbines

Title 68 O.S. Section 2357.32B and Rule 710:50-51-92.

Credit for Qualified Ethanol Facilities

Title 68 O.S. Section 2357.66.

Line 11 - Oklahoma Withholding

1. Enter the Oklahoma income tax withheld from your royalty payments.
2. Oklahoma income tax is withheld from distributions made by pass-through entities to nonresident members, unless such nonresident member has filed a withholding exemption affidavit (Form OW-15). If you are a nonresident member of a pass-through entity who has not filed an affidavit; Oklahoma income tax should have been withheld on distributions of Oklahoma taxable income. Enter the Oklahoma income tax withheld on your distribution.

Enclose the Form 500-A, Form 1099-MISC, Form 500-B, Form K-1 or other documentation to substantiate Oklahoma withholding.

Line 15 -

You have the opportunity to make a financial gift from your refund to a variety of Oklahoma organizations. Enter the amount of your donation and place the line number of the organization in the oval on line 15 of Form 512. If you give to more than one organization, please put a "99" in the oval and attach a schedule showing how you would like your donation split.

1 Oklahoma Wildlife Diversity Program

The Oklahoma Wildlife Diversity Program is funded primarily by concerned Oklahomans. All donations provide for a variety of projects, including research on Texas horned lizards and other rare wildlife, wildlife observation activities such as winter Bald Eagle Tours and spring Watchable Wildlife Weekends, statewide educational workshops, informational brochures and posters, and management of a bat cave purchased with previous program donations.

If you are not receiving a refund, you may still support Oklahoma wildlife by sending a donation to:

**Wildlife Diversity Program
1801 North Lincoln
Oklahoma City, OK 73105**

2 Department of Veterans Affairs Contribution Fund

You may donate from your tax refund to help the Department of Veterans Affairs to purchase equipment, develop capital improvement projects and to acquire properties for expanding or improving existing projects.

If you are not receiving a refund, you may still donate. Mail your contribution to:

**Department of Veterans Affairs
PO Box 53067
Oklahoma City, OK 73152**

3 Oklahoma Breast and Cervical Cancer Fund

You may donate for the benefit of breast and cervical cancer early detection, public education and research. Your donation will be placed in a fund to be used for the purpose of funding programs to increase knowledge of breast and cervical cancer risk and prevention and to provide mammograms, pap tests and biopsies for low income women.

If you are not receiving a refund, you may still donate. Mail your contribution to:

**Oklahoma State Department of Health
Breast and Cervical Cancer Revolving Fund
1000 NE 10th St.
Oklahoma City, OK 73152**

Line by Line Instructions

Page One continued

4 Oklahoma City Bombing Memorial Fund

You may donate to remember the victims of the April 19, 1995 bombing of the Alfred P. Murrah Federal Building. Donations will help defray the expense to construct and maintain the national memorial created to honor the victims of the bombing.

If you are not receiving a refund, you may still donate. Mail your contribution to:

**Oklahoma City National
Memorial Foundation
PO Box 323
Oklahoma City, OK 73101-0323**

5 Oklahoma School for the Deaf/ Oklahoma School for the Blind

The Oklahoma School for the Deaf and the Oklahoma School for the Blind provide free preschool through high school education programs for children with hearing or vision disabilities. The schools also provide advice for families of infants and preschoolers and consultation statewide to help local schools meet the educational needs of their students with these disabilities.

If you are not receiving a refund, you may still send a donation to:

**Oklahoma Department
of Rehabilitation Services
c/o OSD/OSB Donation
3535 NW 58th Street, #500
Oklahoma City, OK 73112-4815**

6 Tulsa Reconciliation Education and Scholarship Trust Fund

You may donate from your tax refund for the benefit of scholarships pursuant to the Tulsa Reconciliation Education and Scholarship Trust Fund. Monies generated from donations shall be used to provide scholarship awards to residents of the Tulsa Public School District, which was greatly impacted both socially and economically by the civil unrest that occurred in the City of Tulsa during 1921.

If you are not receiving a refund, you may still donate. Mail your contribution to:

**Oklahoma State Regents
for Higher Education
c/o: Tulsa Reconciliation Education
and Scholarship Fund
PO Box 108850
Oklahoma City, OK 73101-8850**

7 Oklahoma Silver Haired Legislature Program

You may donate from your tax refund for the benefit of Oklahoma Silver Haired Legislature activities. The Oklahoma Silver Haired Legislature was created in 1981 as a forum to educate senior citizens in the legislative process and to highlight the needs of older persons to

the Oklahoma State Legislature. Monies generated from donations will be used by the Department of Human Services to fund the Oklahoma Silver Haired Legislature including training sessions and interim studies.

If you are not receiving a refund, you may still donate. Mail your contribution to:

**Oklahoma Silver Haired Legislature
and Alumni
c/o Division of Aging Services
312 NE 28th Street
Oklahoma City, OK 73105**

8 Support of Oklahoma Common Schools

You may donate from your tax refund for the benefit of Oklahoma common schools. Donations will be placed in a fund to be used by the Department of Education for the purpose of funding common education. Monies from the fund will be apportioned as and in the manner that state aid is provided to the common schools.

If you are not receiving a refund, you may still donate. Mail your contribution to:

**Oklahoma State Department of Education,
c/o Support of Oklahoma Common Schools
2500 N Lincoln Blvd., Suite 112
Oklahoma City, OK 73105**

9 Support of Oklahoma Road and Highway Maintenance

You may donate from your tax refund for the benefit of maintenance of Oklahoma's roads, highways and bridges. Donations will be placed in a fund to be used by the Department of Transportation (ODOT) for the purpose of funding road, highway and bridge maintenance.

If you are not receiving a refund, you may still donate. Mail your contribution to:

**Oklahoma Department of Transportation
Attn: Comptroller Division
200 NE 21st Street
Oklahoma City, OK 73105**



**Need a form or have
a tax question
after hours?
No problem.**

Visit our web site at
www.oktax.state.ok.us
for all your tax needs 24 hours a
day, seven days a week.

Line by Line Instructions

10 Support of Oklahoma Medicaid Program

You may donate from your tax refund for the benefit of the Oklahoma Medicaid Program. The program provides health care to low-income children, pregnant women, elderly Oklahomans and people with disabilities. Your donation will be matched with federal Medicaid money. Every dollar donated will draw approximately \$2.40 in federal dollars. Donations will be placed in a fund to be used by the state Health Care Authority for the purpose of funding the Medicaid program.

If you are not receiving a refund, you may still donate. Mail your contribution to:

**OHCA
PO Box 18276
Oklahoma City, OK 73154**

11 County Fair Enhancement Fund

You may donate from your tax refund for the benefit of Oklahoma county fairs. Donations will be placed in the Oklahoma County Fair Enhancement Fund. Funds will be expended by the State Department of Agriculture, Food and Forestry to be used for construction, facility improvements, and payment of premiums at county fairs.

If you are not receiving a refund, you may still donate. Mail your contribution to:

**Oklahoma Department of Agriculture,
Food and Forestry
Market Development Division
2800 North Lincoln Blvd.
Oklahoma City, OK 73105**

12 Junior Livestock Auction Scholarship Fund

You may donate from your tax refund for the benefit of the State of Oklahoma Junior Livestock Auction Scholarship Revolving Fund. Monies from the fund may be budgeted and expended by the State Department of Agriculture, Food and Forestry for the purpose of helping fund educational opportunities for students exhibiting at the two statewide Junior Livestock Auctions which service the entire state and are held annually in Oklahoma City and Tulsa.

If you are not receiving a refund, you may still donate. Mail your contribution to:

**Oklahoma Department of Agriculture, Food
and Forestry
Market Development Division
2800 North Lincoln Blvd.
Oklahoma City, OK 73105**

13 Support of Programs for Volunteers to Act as Court Appointed Special Advocates for Abused or Neglected Children

You may donate from your tax refund to support programs for volunteers to act as Court Appointed Special Advocates for abused or neglected children. Donations will be placed in the Income Tax Checkoff Revolving Fund for Court Appointed Special Advocates. Monies will be expended by the Office of the Attorney General for

the purpose of providing recruitment, training, and supervision of the special advocates. All Court Appointed Special Advocate programs in the state shall receive a portion of this money.

If you are not receiving a refund, you may still donate. Mail your contribution to:

**Oklahoma CASA Association, Inc.
PO Box 54946
Oklahoma City, OK 73154**

14 Oklahoma Pet Overpopulation Fund

You may donate from your tax refund for the benefit of the Oklahoma Pet Overpopulation Fund. Monies placed in this fund will be expended by the Department of Agriculture, Food and Forestry for the purpose of developing educational programs on pet overpopulation and for implementing spay/neuter efforts in this state.

If you are not receiving a refund, you may still donate. Mail your contribution to:

**Oklahoma Department of Agriculture, Food
and Forestry
Animal Industry Division
2800 North Lincoln Blvd.
Oklahoma City, OK 73105**

Line 19 - Underpayment Estimated Tax Interest

All corporations were required to make estimated tax payments if the tax liability is \$500 or more. To avoid the 20% Underpayment of Estimated Tax Interest, timely filed estimated tax payments are required to be equal to the smaller of 70% of the current year tax liability **or** 100% of your prior year tax. The tax liability is the tax due less all credits except amounts paid on estimated tax and extension payments. **Note:** No Underpayment of Estimated Tax Interest shall be imposed if the tax liability shown on the return is less than \$1,000. Enclose Form OW-8-P.

Line 20 - Delinquent Penalty and Interest

Interest at the rate of 1 1/4% per month shall be paid on the tax due from the original due date until paid. 90% of the tax liability must be paid by the original due date of the return to avoid a delinquent penalty charge of 5% for late payment.

When you have completed the above sections, please read the section on page 12 entitled "When You Are Finished..."

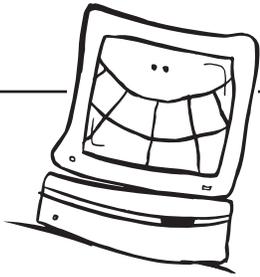
When You Are Finished...

- In the event that you owe taxes, please enclose a check or money order payable to "Oklahoma Tax Commission". The taxpayer identification number and the tax year should be on your check or money order for your payment to be properly credited.
- When complete, make copies of all the documents for your records.
- Do not enclose any other tax reports or correspondence in this envelope.

- Return must be signed.
- If for some reason you do not have a pre-addressed return envelope, please mail the originals, along with any payment due, to:

**Oklahoma Tax Commission
Income Tax
PO Box 26800
Oklahoma City, OK 73126-0800**

How to Contact the Oklahoma Tax Commission



Visit Us on the Web!

You'll find a wealth of information on our web-site, including downloadable tax forms, answers to common questions, and online filing options for both income and business taxes!

www.oktax.state.ok.us

Whether you need a tax form, have a question or need further information, there are many ways to reach us.

Office Locations!

Oklahoma City • (405) 521-3160

2501 North Lincoln Boulevard

Tulsa • (918) 581-2399

440 South Houston, 5th Floor

Ardmore • (580) 226-4636

301 West Main, Suite 316

Lawton • (580) 248-8440

1602 NW Lawton Ave., Suite B

McAlester • (918) 426-0777

1533 South Main



Give Us a Call!

The Oklahoma Tax Commission can be reached at **(405) 521-3160**.

Corporate tax questions can be directed to **(405) 521-3126**.

The in-state toll free number is **(800) 522-8165, ext. 1-3160**

for general assistance or **ext. 1-3126** for corporate tax assistance. Also see the box to the left for field office phone numbers.

The Oklahoma Tax Commission is not required to give actual notice to taxpayers of changes in any state tax law.

**Oklahoma Tax Commission
Income Tax
PO Box 26800
Oklahoma City, OK 73126-0800**

**Bulk Rate
U.S. Postage Paid
Oklahoma Tax Commission**

STATE OF OKLAHOMA CORPORATION INCOME TAX RETURN

TAX YEAR 2004

FORM **512**

This form must be filed on or before the 15th day of the third month after the close of the taxable year.

For the year January 1 - December 31, 2004, or other taxable year beginning _____, 2004 ending _____.

A. Federal I.D. Number

B. Business Code Number

Corporate Name: _____

Street Address: _____

City, State and Zip: _____

Extension	Type of Return Filed	
If you have applied for an extension from the IRS, check here → <input type="checkbox"/> and enclose a copy.	Separate	Consolidated <small>(page 2 of instructions)</small>
	Oklahoma → <input type="checkbox"/>	or <input type="checkbox"/>
	Federal → <input type="checkbox"/>	or <input type="checkbox"/>

If this is a final return, please check here:

Notice: Enter the amount of net operating loss as shown on Sch. A, line 29(a) or Sch. B, line 6(d) \$ **.00**

1	Oklahoma taxable income (as shown on Schedule A or B)	1	<input type="text"/>	<input type="text"/>	00
2	Tax: 6% of line 1	2	<input type="text"/>	<input type="text"/>	00
3	Investment/New Jobs Credit (please enclose Form 506)	3	<input type="text"/>	<input type="text"/>	00
4	Gas Used in Manufacturing (see instructions and enclose schedule)	4	<input type="text"/>	<input type="text"/>	00
5	Hazardous Waste Control (see instructions)	5	<input type="text"/>	<input type="text"/>	00
6	Other Credits (see instructions)	6	<input type="text"/>	<input type="text"/>	00
7	Total (add lines 3, 4, 5 and 6)	7	<input type="text"/>	<input type="text"/>	00
8	Balance of tax due (line 2 less line 7, but not less than zero)	8	<input type="text"/>	<input type="text"/>	00
9	Amount paid on 2004 estimate	9	<input type="text"/>	<input type="text"/>	00
10	Amount paid with extension request	10	<input type="text"/>	<input type="text"/>	00
11	Oklahoma withholding (enclose Form 1099, 500A or other withholding statement)	11	<input type="text"/>	<input type="text"/>	00
12	Total credits (add lines 9, 10 and 11)	12	<input type="text"/>	<input type="text"/>	00
13	Overpayment (line 12 minus line 8)	13	<input type="text"/>	<input type="text"/>	00
14	Amount of line 13 to be credited on 2005 estimated tax	14	<input type="text"/>	<input type="text"/>	00
<p><i>Line 15 instructions provide you with the opportunity to make a financial gift from your refund to a variety of Oklahoma organizations. Please place the line number of the organization from the line 15 instructions in the yellow oval below. If you give to more than one organization, please put a "99" in the yellow oval and attach a schedule showing how you would like your donation split.</i></p>					
15	Donations from your refund (total from line 15 instructions)	15	<input type="text"/>	<input type="text"/>	00
16	Total (add lines 14 and 15)	16	<input type="text"/>	<input type="text"/>	00
17	Amount of line 13 to be refunded to you (line 13 minus line 16)	17	<input type="text"/>	<input type="text"/>	00
18	Tax Due (line 8 minus line 12)	18	<input type="text"/>	<input type="text"/>	00
19	Underpayment of estimated tax interest (enclose Form OW-8-P)	19	<input type="text"/>	<input type="text"/>	00
20	For delinquent payment, add penalty of 5% \$ _____ plus interest of 1.25% per month \$ _____	20	<input type="text"/>	<input type="text"/>	00
21	Total tax, penalty and interest (add lines 18, 19 and 20)	21	<input type="text"/>	<input type="text"/>	00

If the Oklahoma Tax Commission may discuss this return with your tax preparer, please check here:

Make check payable to the Oklahoma Tax Commission

Under penalties of perjury, I declare that I have examined this return, including any accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete. If prepared by person other than the taxpayer, his/her declaration is based on all information of which he/she has any knowledge.

Corporate Seal	signature of officer _____ date _____	signature of preparer _____ date _____
	title _____	preparer's address _____
	phone number _____	phone number _____

SCHEDULE A

Schedule A is for corporations whose income is all within Oklahoma and/or for corporations whose income is partly within and partly without Oklahoma (not unitary). Enclose a complete copy of your Federal return.

Important: All applicable lines and schedules must be filled in.

Gross Income (lines 1 through 11)

		Column A As reported on Federal Return	Column B Total applicable to Oklahoma
1	Gross receipts or gross sales _____ (less: returns and allowances) . . .	1	
2	Less: Cost of goods sold	2	
3	Gross profit (line 1 minus line 2)	3	
4	Dividends	4	
5	Interest on obligations of the United States and U.S. Instrumentalities	5	
6	(a) Other interest	6a	
	(b) Municipal interest	6b	
7	Gross rents	7	
8	Gross royalties	8	
9	(a) Net capital gains	9a	
	(b) Ordinary gain or [loss]	9b	
10	Other income (enclose schedule)	10	
11	Total income (add lines 3 through 10)	11	

Deductions (lines 12 through 27)

12	Compensation of officers	12	
13	Salaries and wages	13	
14	Repairs	14	
15	Bad debts	15	
16	Rents	16	
17	Taxes	17	
18	Interest	18	
19	Contributions	19	
20	Amortization	20	
21	Depreciation	21	
22	Depletion (see instructions below)	22	
23	Advertising	23	
24	Pension, profit-sharing plans, etc.	24	
25	Employee benefit programs	25	
26	Other deductions (enclose schedule)	26	
27	Total Deductions (add lines 12 through 26)	27	

Totals (lines 28 through 30)

28	Taxable income before net operating loss deductions and special deductions	28	
29	Less: (a) Net operating loss deduction (schedule)	29a	
	(b) Special deductions	29b	
30	Taxable income (line 28 minus lines 29a & b) Enter here and line 1, page 1 . .	30	

Note: Indicate method used to allocate expenses to Oklahoma and enclose schedule of computations.

Oklahoma Depletion in Lieu of Federal Depletion

Oklahoma depletion on oil and gas may be computed at 22 % of gross income derived from each Oklahoma property during the taxable year. Major oil companies, as defined in Section 288.2 of Title 52 of the Oklahoma Statutes, when computing Oklahoma depletion shall be limited to 50% of the net income (computed without the allowance for depletion) from each property. **Note: Depletion schedule by property must be enclosed with return.**

Location of Principal Accounting Records

Address _____ City _____ State _____ Zip _____

Has the Internal Revenue Service redetermined your tax liability for prior years? _____ What years? _____

Has the statute of limitations been extended by consent for any prior years? _____ What years? _____

Did you file amended returns for the years stated above? Yes No

Business name and principal locations in Oklahoma _____

Date of incorporation _____ Date business began in Oklahoma _____

Give name, address and relationship of all affiliated corporations - enclose Federal Form 851

