

PA SCHEDULE H
 Apportioned Business Income
 (Loss)/Calculation of PA Net
 Business Income (Loss)
 PA-20S/PA-65 H (08-10) (FI) **2010**

1006910051

OFFICIAL USE ONLY

Name as shown on PA-20S/PA-65 Information Return

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APPORTIONED INCOME (LOSS) FROM A BUSINESS, PROFESSION, OR FARM DERIVED FROM SOURCES BOTH WITHIN AND OUTSIDE PENNSYLVANIA.

Complete this schedule and submit it with the PA-20S/PA-65 Information Return if a PA S corporation, partnership or limited liability company filing as a partnership or PA S corporation for federal income tax purposes derives business income from sources within and outside Pennsylvania or is located in a KOZ. If one or more of the partners is a C corporation, the partnership must also complete PA-20S/PA-65 Schedule H-Corp and submit a copy to each corporate partner. DO NOT USE THIS SCHEDULE TO APPORTION PA-SOURCE INCOME FROM OTHER ENTITIES.

The entity must calculate a figure as required in 1C, 2C and 3C to apply to net business income (loss) to determine the amount from within Pennsylvania. Line 5 is an average of the sum of three fractions shown below.

NET BUSINESS INCOME (LOSS) APPORTIONMENT FORMULA

Submit a statement listing all places BOTH WITHIN AND OUTSIDE PENNSYLVANIA where the entity operates its business.

TABLE 1 - PROPERTY FACTOR	Description	Total Everywhere	Within Pennsylvania
	Real and Tangible Property Owned (original cost value)		
	Land and Buildings, including property rented *		
	Machinery and Equipment, including property rented *		
	Furniture and Fixtures, including property rented *		
	Automobiles and Trucks, including property rented *		
	Inventories		
	Other Tangible Property, including property rented *		
	Total Property	1. (A)	1. (B)

* Eight times net annual rental rate (Attach Schedule)

1C. Property factor (divide 1(B) by 1(A) - calculate to six decimal places) • - - - - -

TABLE 2 - PAYROLL FACTOR	Description	Total Everywhere	Within Pennsylvania
	Wages, salaries, commissions and other compensation to employees in:		
	Cost of goods sold		
	Compensation of officers		
	Salesmen's salaries and commissions		
	Other		
	Total Payroll	2. (A)	2. (B)

2C. Payroll factor (divide 2(B) by 2(A) - calculate to six decimal places) • - - - - -

TABLE 3 - SALES FACTOR	Description	Total Everywhere	Within Pennsylvania
	Sales (Net of Returns and Allowances)		
	Interest, Dividends, Rents, Royalties		
	Other Income (receipts only)		
	Gross Sales Price of Assets (except securities**)		
	Totals	3. (A)	3. (B)

** Unless you are a securities dealer

3C. Sales factor (divide 3(B) by 3(A) - calculate to six decimal places) • - - - - -

1. Real and Tangible Property. Enter the amount from Line 1C.	<u> • - - - - -</u>
2. Wages, Salaries, Commissions, and Other Compensation. Enter the amount from Line 2C.	<u> • - - - - -</u>
3. Sales. Enter the amount from Line 3C.	<u> • - - - - -</u>
4. Total Lines 1 through 3.	<u> • - - - - -</u>
5. Apportionment - Divide Line 4 by 3, if all three factors apply; by 2, if only two factors apply; or by 1, if only one factor applies. Calculate to six decimal places.	<u> • - - - - -</u>
6. Total Net Income (Loss) from business. From Schedule M, Part B, Section G, Line 2	
7. Net Income (Loss) for Pennsylvania. Multiply Line 6 by Line 5. Enter on the PA-20S/PA-65 Information Return, Part II, Line 2e.	

Special Apportionment to be completed only by railroad, truck, bus, and airline entities, pipeline or natural gas entities and water transportation entities. (Refer to PA-20S/PA-65 Schedule H instructions) (A) Numerator (A)
 (B) Denominator (B) = • - - - - -

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