

California S Corporation Franchise or Income Tax Return

For calendar year 2017 or fiscal year beginning [] and ending [] RP

Corporation name California corporation number FEIN

Additional information. See instructions. California Secretary of State file number

Street address (suite/room no.) PMB no.

City (if the corporation has a foreign address, see instructions.) State ZIP code

Foreign country name Foreign province/state/county Foreign postal code

Schedule Q Questions (continued on Side 3)

A 1. FINAL RETURN? [] Dissolved [] Surrendered (withdrawn) [] Merged/Reorganized [] IRC Section 338 sale [] QSub election Enter date (mm/dd/yyyy)

2. Is the S corporation deferring any income from the disposition of assets? [] Yes [] No If "Yes" enter the year of disposition (yyyy)

3. Is the S corporation reporting previously deferred income from: [] Installment sale [] IRC §1031 [] IRC §1033 [] Other

B 1. During this taxable year, did another person or legal entity acquire control or majority ownership (more than a 50% interest) of this corporation or any of its subsidiaries that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? [] Yes [] No

2. During this taxable year, did this corporation or any of its subsidiaries acquire control or majority ownership (more than a 50% interest) in another legal entity that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? [] Yes [] No

3. During this taxable year, has more than 50% of the voting stock of this corporation cumulatively transferred in one or more transactions after an interest in California real property (i.e., land, buildings) was transferred to it that was excluded from property tax reassessment under Revenue and Taxation Code Section 62(a)(2) and it was not reported on a previous year's tax return? [] Yes [] No

(Yes requires filing of statement, penalties may apply - see instructions.)

Table with 8 rows and 3 columns: State Adjustments, Line Number, Amount. Rows include Ordinary income (loss), Foreign or domestic tax, Interest on government obligations, Net capital gain, Depreciation and amortization adjustments, Portfolio income, Other additions, and Total.

| | | | | | | | |
|---------------------------|---|--|----|-----|--|----|----|
| State Adjustments (cont.) | 9 | Dividends received deduction. Attach Schedule H (100S) | ● | 9 | | 00 | |
| | 10 | Water's-edge dividend deduction. Attach Schedule H (100S) | ● | 10 | | 00 | |
| | 11 | Contributions. See instructions | ● | 11 | | 00 | |
| | 12 | Other deductions. Attach schedule(s) | ● | 12 | | 00 | |
| | 13 | Total. Add line 9 through line 12. | ● | 13 | | | 00 |
| | 14 | Net income (loss) after state adjustments. Subtract line 13 from Side 1, line 8. | ● | 14 | | | 00 |
| CA Net Income | 15 | Net income (loss) for state purposes. Use Schedule R if apportioning or allocating income | ● | 15 | | | 00 |
| | 16 | R&TC Section 23802(e) deduction. See instructions | ● | 16 | | 00 | |
| | 17 | Net operating loss deduction. See instructions | ● | 17 | | 00 | |
| | 18 | EZ, LARZ, TTA, or LAMBRA NOL carryover deduction. See instructions | ● | 18 | | 00 | |
| | 19 | Disaster loss deduction. See instructions. | ● | 19 | | 00 | |
| | 20 | Net income for tax purposes. Combine line 16 through line 19. Subtract the result from line 15. | ● | 20 | | | 00 |
| Taxes | 21 | Tax. _____% x line 20 (at least minimum franchise tax, if applicable). See instructions | ● | 21 | | | 00 |
| | 22 | Credit name _____ code ● _____ amount. ▶ | | 22 | | 00 | |
| | 23 | Credit name _____ code ● _____ amount. ▶ | | 23 | | 00 | |
| | 24 | To claim more than two credits, see instructions | ● | 24 | | 00 | |
| | 25 | Add line 22 through line 24. Attach Schedule C (100S) | ● | 25 | | | 00 |
| | 26 | Balance. Subtract line 25 from line 21 (not less than minimum franchise tax plus QSub annual tax(es), if applicable) ● | | 26 | | | 00 |
| | 27 | Tax from Schedule D (100S). Attach Schedule D (100S). See instructions | ● | 27 | | | 00 |
| | 28 | Excess net passive income tax. See instructions | ● | 28 | | | 00 |
| | 29 | Total tax. Add line 26 through line 28 | ● | 29 | | | 00 |
| Payments | 30 | Overpayment from prior year allowed as a credit | ● | 30 | | 00 | |
| | 31 | 2017 Estimated tax/QSub payments. See instructions | ● | 31 | | 00 | |
| | 32 | 2017 Withholding (Forms 592-B and/or 593). See instructions | ● | 32 | | 00 | |
| | 33 | Amount paid with extension of time to file tax return | ● | 33 | | 00 | |
| | 34 | Total payments. Add line 30 through line 33. | ● | 34 | | | 00 |
| Refund or Amount Due | 35 | Use tax. This is not a total line. See instructions | ● | 35 | | 00 | |
| | 36 | Payments balance. If line 34 is more than line 35, subtract line 35 from line 34 | ● | 36 | | | 00 |
| | 37 | Use tax balance. If line 35 is more than line 34, subtract line 34 from line 35 | ● | 37 | | | 00 |
| | 38 | Franchise or income tax due. If line 29 is more than line 36, subtract line 36 from line 29 | ● | 38 | | | 00 |
| | 39 | Overpayment. If line 36 is more than line 29, subtract line 29 from line 36. | ● | 39 | | | 00 |
| | 40 | Amount of line 39 to be credited to 2018 estimated tax | ● | 40 | | | 00 |
| | 41 | Refund. Subtract line 40 from line 39 | ● | 41 | | | 00 |
| | | See instructions to have the refund directly deposited. <input type="checkbox"/> Checking <input type="checkbox"/> Savings | | | | | |
| | | 41a. ● Routing number 41b. ● Type 41c. ● Account number | | | | | |
| | | 42 a Penalties and interest | ● | 42a | | | 00 |
| | b <input type="checkbox"/> Check if estimate penalty computed using Exception B or C on form FTB 5806. See instructions. | | | | | | |
| | 43 Total amount due. Add line 37, line 38, line 40, and line 42a. Then, subtract line 39 from the result | ● | 43 | | | 00 | |

Schedule Q Questions (continued from Side 1)

- C** Principal business activity code. **Do not** leave blank ● _____
 Business activity _____ Product or service _____
- D** Is this S corporation filing on a water's-edge basis pursuant to R&TC Sections 25110 and 25113 for the current taxable year? ... ● Yes No
- E** Does this tax return include Qualified Subchapter S Subsidiaries? ● Yes No
- F** Date incorporated (mm/dd/yyyy) [] Where: ● State [] Country _____
- G** Maximum number of shareholders in the S corporation at any time during the year. **Do not** leave blank ● _____
- H** Date business began in California or date income was first derived from California sources (mm/dd/yyyy) ● []
- I** Is the S corporation under audit by the IRS or has it been audited in a prior year? ● Yes No
- J** Effective date of federal S election (mm/dd/yyyy) ● []
- L** Accounting method ● (1) Cash (2) Accrual (3) Other
- M** Location of principal accounting records _____
- N** "Doing business as" (DBA) name. See instructions. ● _____
- O** Have all required information returns (e.g., federal Forms 1099, 8300, and state Forms 592, 592-B etc.) been filed with the Franchise Tax Board? N/A Yes No
- P** Is this S corporation apportioning or allocating income to California using Schedule R? ● Yes No
- Q** Has the S corporation included a reportable transaction or listed transaction within this return? See instructions for definitions . . . ● Yes No
 If "Yes," complete and attach federal Form 8886, for each transaction.
- R** Did this S corporation file the federal Schedule M-3 (Form 1120S)? ● Yes No
- S** Is form FTB 3544A, List of Assigned Credit Received and/or Claimed by an Assignee, attached to the return? ● Yes No

Schedule J Add-On Taxes and Recapture of Tax Credits. See instructions.

| | | | |
|---|----|--|----|
| 1 LIFO recapture due to S corporation election (IRC Section 1363(d) deferral \$ _____) . . . ● | 1 | | 00 |
| 2 Interest computed under the look-back method for completed long-term contracts (attach form FTB 3834) . . . ● | 2 | | 00 |
| 3 Interest on tax attributable to installment a) Sales of certain timeshares and residential lots . . . ● | 3a | | 00 |
| | 3b | | 00 |
| 4 IRC Section 197(f)(9)(B)(ii) election . . . ● | 4 | | 00 |
| 5 Credit recapture name _____ . . . ● | 5 | | 00 |
| 6 Combine line 1 through line 5. Revise the amount on Side 2, line 38 or line 39, whichever applies, by this amount. Write "Schedule J" to the left of line 38 or line 39 . . . ● | 6 | | 00 |

| | | | | |
|--|--|-------|---|-----------------|
| Sign Here | Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge. | | | |
| | Signature of officer ▶ | Title | Date | ● Telephone () |
| Paid Preparer's Use Only | Officer's email address (optional) | | | () |
| | Preparer's signature ▶ | Date | Check if self-employed <input type="checkbox"/> | ● PTIN |
| | Firm's name (or yours, if self-employed) and address ▶ | | | ● FEIN |
| | | | | ● Telephone () |
| May the FTB discuss this return with the preparer shown above? See instructions ● <input type="checkbox"/> Yes <input type="checkbox"/> No | | | | |

Schedule F Computation of Trade or Business Income. See instructions.

| Income | 1 | a) Gross receipts or sales _____ b) Less returns and allowances _____ c) Balance | <input checked="" type="radio"/> | 1c | 00 |
|-------------------|----|--|----------------------------------|-----|----|
| | 2 | Cost of goods sold from Schedule V, line 8 | <input checked="" type="radio"/> | 2 | 00 |
| | 3 | Gross profit. Subtract line 2 from line 1c | <input checked="" type="radio"/> | 3 | 00 |
| | 4 | Net gain (loss). Attach schedule | <input checked="" type="radio"/> | 4 | 00 |
| | 5 | Other income (loss). Attach schedule | <input checked="" type="radio"/> | 5 | 00 |
| | 6 | Total income (loss). Combine line 3 through line 5 | <input checked="" type="radio"/> | 6 | 00 |
| Deductions | 7 | Compensation of officers. Attach schedule. See instructions. | <input checked="" type="radio"/> | 7 | 00 |
| | 8 | Salaries and wages | <input checked="" type="radio"/> | 8 | 00 |
| | 9 | Repairs and maintenance. | <input checked="" type="radio"/> | 9 | 00 |
| | 10 | Bad debts | <input checked="" type="radio"/> | 10 | 00 |
| | 11 | Rents | <input checked="" type="radio"/> | 11 | 00 |
| | 12 | Taxes | <input checked="" type="radio"/> | 12 | 00 |
| | 13 | Interest. | <input checked="" type="radio"/> | 13 | 00 |
| | 14 | a) Depreciation <input checked="" type="radio"/> _____ b) Less depreciation reported elsewhere <input checked="" type="radio"/> _____ c) Balance | <input checked="" type="radio"/> | 14c | 00 |
| | 15 | Depletion | <input checked="" type="radio"/> | 15 | 00 |
| | 16 | Advertising. | <input checked="" type="radio"/> | 16 | 00 |
| | 17 | Pension, profit-sharing plans, etc | <input checked="" type="radio"/> | 17 | 00 |
| | 18 | Employee benefit programs | <input checked="" type="radio"/> | 18 | 00 |
| | 19 | a) Total travel and entertainment <input checked="" type="radio"/> _____ b) Deductible amount | <input checked="" type="radio"/> | 19b | 00 |
| | 20 | Other deductions. Attach schedule. | <input checked="" type="radio"/> | 20 | 00 |
| | 21 | Total deductions. Add line 7 through line 20. | <input checked="" type="radio"/> | 21 | 00 |
| | 22 | Ordinary income (loss) from trade or business. Subtract line 21 from line 6. Enter here and on Side 1, line 1. | <input checked="" type="radio"/> | 22 | 00 |

The corporation may not be required to complete Schedule L and Schedule M-1. See Schedule L and Schedule M-1 instructions for reporting requirements.

| Schedule L Balance Sheet | Beginning of taxable year | | End of taxable year | |
|--|----------------------------------|--------------------------------------|----------------------------------|--------------------------------------|
| | (a) | (b) | (c) | (d) |
| Assets | | | | |
| 1 Cash | | | | <input checked="" type="radio"/> |
| 2 a Trade notes and accounts receivable. | | | <input checked="" type="radio"/> | |
| b Less allowance for bad debts | () | | () | <input checked="" type="radio"/> |
| 3 Inventories | | | | <input checked="" type="radio"/> |
| 4 Federal and state government obligations | | | | |
| 5 Other current assets. Attach schedule(s) | | | | <input checked="" type="radio"/> |
| 6 Loans to shareholders. Attach schedule(s) | | <input checked="" type="radio"/> | | <input checked="" type="radio"/> |
| 7 Mortgage and real estate loans | | | | <input checked="" type="radio"/> |
| 8 Other investments. Attach schedule(s) | | | | <input checked="" type="radio"/> |
| 9 a Buildings and other fixed depreciable assets | | | | <input checked="" type="radio"/> |
| b Less accumulated depreciation | () | <input checked="" type="radio"/> | () | <input checked="" type="radio"/> |
| 10 a Depletable assets | | | | <input checked="" type="radio"/> |
| b Less accumulated depletion | () | | () | |
| 11 Land (net of any amortization) | | <input checked="" type="radio"/> | | <input checked="" type="radio"/> |
| 12 a Intangible assets (amortizable only) | | | <input checked="" type="radio"/> | |
| b Less accumulated amortization. | () | | () | |
| 13 Other assets. Attach schedule(s) | | <input checked="" type="radio"/> | | <input checked="" type="radio"/> |
| 14 Total assets | | <input checked="" type="radio"/> | | <input checked="" type="radio"/> |
| Liabilities and shareholders' equity | | | | |
| 15 Accounts payable. | | | | <input checked="" type="radio"/> |
| 16 Mortgages, notes, bonds payable in less than 1 year | | | | |
| 17 Other current liabilities. Attach schedule(s) | | | | |
| 18 Loans from shareholders. Attach schedule(s) | | <input checked="" type="radio"/> | | <input checked="" type="radio"/> |
| 19 Mortgages, notes, bonds payable in 1 year or more | | <input checked="" type="radio"/> | | <input checked="" type="radio"/> |
| 20 Other liabilities. Attach schedule(s) | | <input checked="" type="radio"/> | | <input checked="" type="radio"/> |
| 21 Capital stock | | <input checked="" type="radio"/> | | <input checked="" type="radio"/> |
| 22 Paid-in or capital surplus | | <input checked="" type="radio"/> | | <input checked="" type="radio"/> |
| 23 Retained earnings | | <input checked="" type="radio"/> | | <input checked="" type="radio"/> |
| 24 Adjustments. Attach schedule(s) | | | | |
| 25 Less cost of treasury stock | | <input checked="" type="radio"/> () | | <input checked="" type="radio"/> () |
| 26 Total liabilities and shareholders' equity | | | | |

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return.

If the S corporation completed federal **Schedule M-3 (Form 1120S)**. See instructions.

| | | |
|--|---|--|
| <p>1 Net income per books</p> <p>2 Income included on Schedule K, line 1 through line 10b, not recorded on books this year (itemize) _____</p> <p>3 Expenses recorded on books this year not included on Schedule K, line 1 through line 12e (itemize)</p> <p>a Depreciation . . . \$ _____</p> <p>b State taxes \$ _____</p> <p>c Travel and entertainment . . . \$ _____</p> <p>d Other \$ _____</p> <p>e Total. Add line 3a through line 3d</p> <p>4 Total. Add line 1 through line 3e</p> | <p>5 Income recorded on books this year not included on Schedule K, line 1 through line 10b (itemize)</p> <p>a Tax-exempt interest \$ _____</p> <p>b Other \$ _____</p> <p>c Total. Add line 5a and line 5b</p> <p>6 Deductions included on Schedule K, line 1 through line 12e, not charged against book income this year (itemize)</p> <p>a Depreciation \$ _____</p> <p>b State tax refunds \$ _____</p> <p>c Other \$ _____</p> <p>d Total. Add line 6a through line 6c</p> <p>7 Total. Add line 5c and line 6d</p> <p>8 Income (loss) (Schedule K, line 19, col. d). Line 4 less line 7</p> | |
|--|---|--|

Schedule M-2 CA Accumulated Adjustments Account, Other Adjustments Account, and Other Retained Earnings. See instructions.

Important: Use California figures and federal procedures.

| | (a) Accumulated adjustments account | (b) Other adjustments account | (c) Other retained earnings (see instructions) |
|--|---|-------------------------------------|--|
| 1 Balance at beginning of year | ● | | ⊙ |
| 2 Ordinary income from Form 100S, Side 1, line 1 | | | |
| 3 Other additions | ⊙ | | |
| 4 Loss from Form 100S, Side 1, line 1 | () | | |
| 5 Other reductions | ⊙ () | () | () |
| 6 Combine line 1 through line 5 | | | |
| 7 Distributions other than dividend distributions | ● | | |
| 8 Balance at end of year. Subtract line 7 from line 6 | ● | | |
| 9 Retained earnings at end of year. Add line 8, column (a) through column (c) | | | ● |
| ● <input type="checkbox"/> If the corp. has C corp. E&P at the end of the taxable year, check the box and enter the amount. See instructions | | | ● |

Schedule V Cost of Goods Sold

| | | | |
|--|---|----------|----|
| 1 Inventory at beginning of year | ⊙ | 1 | 00 |
| 2 Purchases | ● | 2 | 00 |
| 3 Cost of labor | ● | 3 | 00 |
| 4 Other IRC Section 263A costs. Attach schedule | ● | 4 | 00 |
| 5 Other costs. Attach schedule | ⊙ | 5 | 00 |
| 6 Total. Add line 1 through line 5 | | 6 | 00 |
| 7 Inventory at end of year | ⊙ | 7 | 00 |
| 8 Cost of goods sold. Subtract line 7 from line 6 | ● | 8 | 00 |

Was there any change in determining quantities, costs, or valuations between opening and closing inventory? Yes No
 If "Yes," attach an explanation. Enter California seller's permit number, if any. ▶ _____
 Method of inventory valuation _____
 Check if the LIFO inventory method was adopted this taxable year for any goods. If checked, attach federal Form 970 ●
 If the LIFO inventory method was used for this taxable year, enter the amount of closing inventory computed under LIFO ● _____

Schedule K S Corporation Shareholder's Shares of Income, Deductions, Credits, etc.

| | (a) Pro-rata share items | (b) Amount from federal K (1120S) | (c) California Adjustment | (d) Total amounts using California law |
|---|---|---|---------------------------------|--|
| Income (Loss) | 1 Ordinary business income (loss) | 1 | <input type="radio"/> | <input type="radio"/> |
| | 2 Net rental real estate income (loss). Attach federal Form 8825 | 2 | | <input type="radio"/> |
| | 3 a Other gross rental income (loss). | 3a | | <input type="radio"/> |
| | b Expenses from other rental activities. Attach schedule | 3b | | <input type="radio"/> |
| | c Other net rental income (loss). Subtract line 3b from line 3a | 3c | | <input type="radio"/> |
| | 4 Interest income | 4 | | <input type="radio"/> |
| | 5 Dividends. See instructions | 5 | | <input type="radio"/> |
| | 6 Royalties | 6 | | <input type="radio"/> |
| | 7 Net short-term capital gain (loss). Attach Schedule D (100S) | 7 | <input type="radio"/> | <input type="radio"/> |
| 8 Net long-term capital gain (loss). Attach Schedule D (100S) | 8 | <input checked="" type="radio"/> | <input type="radio"/> | |
| 9 Net IRC Section 1231 gain (loss) | 9 | <input checked="" type="radio"/> | <input type="radio"/> | |
| Other Income (Loss) | 10 a Other portfolio income (loss). Attach schedule | 10a | <input type="radio"/> | <input type="radio"/> |
| | b Other income (loss). Attach schedule | 10b | <input type="radio"/> | <input type="radio"/> |
| Deductions | 11 IRC Section 179 expense deduction. Attach Schedule B (100S) | 11 | | <input type="radio"/> |
| | 12 a Charitable contributions | 12a | | <input type="radio"/> |
| | b Investment interest expense | 12b | | <input type="radio"/> |
| | c 1 IRC Section 59(e)(2) expenditures | 12c1 | | |
| | 2 Type of expenditures | 12c2 | | |
| | d Deductions-portfolio. Attach schedule | 12d | | <input type="radio"/> |
| e Other deductions. Attach schedule | 12e | | <input type="radio"/> | |
| Credits | 13 a Low-income housing credit. See instructions | 13a | | <input type="radio"/> |
| | b Credits related to rental real estate activities. Attach schedule | 13b | | <input type="radio"/> |
| | c Credits related to other rental activities. See instructions. Attach schedule | 13c | | <input type="radio"/> |
| | d Other credits. Attach schedule | 13d | | <input type="radio"/> |
| | 14 Total withholding allocated to all shareholders. | 14 | | |
| Alternative Minimum Tax (AMT) Items | 15 a Depreciation adjustment on property placed in service after 12/31/86 | 15a | | |
| | b Adjusted gain or loss. See instructions | 15b | | |
| | c Depletion (other than oil and gas) | 15c | | |
| | d 1 Gross income from oil, gas, and geothermal properties | 15d1 | | |
| | 2 Deductions allocable to oil, gas, and geothermal properties | 15d2 | | |
| e Other AMT items | 15e | | | |
| Items Affecting Shareholder Basis | 16 a Tax-exempt interest income | 16a | | |
| | b Other tax-exempt income | 16b | | <input type="radio"/> |
| | c Nondeductible expenses | 16c | | |
| | d Total property distributions (including cash) other than dividends distribution reported on line 17c. | 16d | | <input type="radio"/> |
| Other Information | 17 a Investment income. See instructions | 17a | | |
| | b Investment expenses. See instructions | 17b | | |
| | c Total dividend distributions paid from accumulated earnings and profits | 17c | | <input type="radio"/> |
| | d Other items and amounts not included in lines 1 - 17b and lines 18a-e that are required to be reported separately to shareholders. Attach schedule | 17d | | <input type="radio"/> |
| Other State Taxes | 18 a Type of income _____ | 18a | | |
| | b Name of state _____ | 18b | | |
| | c Total gross income from sources outside California. Attach schedule | 18c | | |
| | d Total applicable deductions and losses. Attach schedule | 18d | | |
| | e Total other state taxes. Check one: <input type="checkbox"/> Paid <input type="checkbox"/> Accrued | 18e | | <input type="radio"/> |
| Recon- ciliation | 19 Income (loss) (required only if Schedule M-1 must be completed). Combine line 1, line 2, and line 3c through line 10b. From the result, subtract the sum of lines 11, 12a, 12b, 12c1, 12d and 12e. | 19 | | <input type="radio"/> |