

2025 Apportionment and Allocation of Income

R

Attach this schedule behind the California tax return and prior to the supporting schedules.

For calendar year 2025 or fiscal year beginning month (mm/dd/yyyy) _____, and ending (mm/dd/yyyy) _____.

Name as shown on your California tax return.

SSN, ITIN, FEIN, CA corp no., or CA SOS file no.

Water's-Edge Filers Only: If controlled foreign corporations are included in the combined report, attach form FTB 2416.

Complete Schedule R (Side 1 and Side 2) and all applicable Schedules (R-1 through R-7). See General Information for Schedule R.

1 a Net income (loss) after state adjustments from Form 100 or Form 100W, Side 2, line 17; Form 100S, Side 2, line 14; Form 100X, line 4. Form 565 and Form 568 filers: Enter the total of line 1 through line 11c from Schedule K (565 or 568) less the total of line 12 through line 13f from Schedule K (565 or 568)	●	1a	00
b Water's-edge foreign investment interest offset from form FTB 2424, line 17.	●	1b	00
c Total. Combine line 1a and line 1b.	●	1c	00

Nonbusiness Income (Loss) from All Sources. See General Information A for definitions and examples.

2 Dividends included on line 1a and not deducted on Form 100, Side 2, line 11; Form 100W, Side 2, lines 11a/b; or Form 100S, Side 2, lines 9 and 10	●	2	00
3 Interest. Attach schedule	●	3	00
4 Net income (loss) from the rental of property from Schedule R-3, line 3, column (c)	●	4	00
5 Royalties. Attach schedule	●	5	00
6 Gain (loss) from the sale of assets from Schedule R-4, line 2, column (e)	●	6	00
7 Gain (loss) from sale of a nonbusiness interest in a partnership or LLC. Attach schedule	●	7	00
8 Miscellaneous nonbusiness income (loss). Attach schedule	●	8	00
9 Total nonbusiness income (loss). Combine line 2 through line 8	●	9	00

Business Income (Loss) before Apportionment (subject to a separate apportionment formula)

10 Business income (loss) from nonunitary partnership or LLC	●	10	00
11 Income (loss) from a separate trade or business. Attach supplemental Schedule R	●	11	00
12 Business income (loss) deferred from prior years. See General Information L	●	12	00
13 Capital gain (loss) netting subject to separate apportionment. See General Information M.	●	13	00
14 Total separately apportionable business income (loss). Combine line 10 through line 13	●	14	00
15 Total business income (loss) subject to apportionment for this trade or business, subtract the sum of line 9 and line 14 from line 1c	●	15	00
16 Interest offset from Schedule R-5, line 7 or line 16 (California domiciliaries only)	●	16	00
17 Business income (loss) for this trade or business subject to apportionment. Combine line 15 and line 16	●	17	00
18 a Apportionment percentage from Schedule R-1, Part A, line 2 or Part B, line 5	●	18a	%
b Business income (loss) apportioned to California. Multiply line 17 by line 18a	●	18b	00

Nonbusiness Income (Loss) Allocable to California. If no income (loss) is allocable to California, do not complete line 19 through line 26, enter -0- on line 27 and go to Side 2, line 28.

19 Dividends and interest income (if taxpayer's commercial domicile is in California):			
a Dividends included in line 2 above	●	19a	00
b Interest included in line 3 above	●	19b	00
20 Net income (loss) from the rental of property within California from Schedule R-3, line 3, column (b)	●	20	00
21 Royalties. Attach schedule	●	21	00
22 Gain (loss) from the sale of assets within California from Schedule R-4, line 2, total of column (b) and column (d). Combined reporting groups, see General Information M	●	22	00
23 Gain (loss) from sale of a nonbusiness interest in a partnership or LLC. Attach schedule	●	23	00
24 Miscellaneous nonbusiness income (loss). Attach schedule	●	24	00
25 Total nonbusiness income (loss) allocable to California. Combine line 19a through line 24	●	25	00
26 Interest offset from line 16 allocated to income included on line 19a and line 19b (California domiciliary only). See General Information J	●	26	00
27 Net nonbusiness income (loss) allocable to California. Subtract line 26 from line 25	●	27	00

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California Business Income (Loss) subject to a separate apportionment formula		
28 California business income (loss) from a nonunitary partnership or LLC.....	● 28	00
29 California income (loss) from a separate trade or business. Attach supplemental schedule R	● 29	00
30 California business income (loss) deferred from prior years. See General Information L	● 30	00
31 Total business income (loss) separately apportioned to California. Combine line 28 through line 30.		
Net Income (Loss) for California Purpose		
32 a Ordinary involuntary conversion gain (loss)	● 32a	00
b Net IRC Section 1231 gain (loss)	● 32b	00
c Nonrecapture net IRC Section 1231 loss from prior years	● 32c	00
d If line 32b is a gain, include IRC Section 1231 gain recapture from line 32c up to amount of the gain. If line 32b is a loss, enter IRC Section 1231 loss.	● 32d	00
e Net ordinary gain (loss). Combine line 32a and line 32d	● 32e	00
f Net gain (loss) on the sale of capital assets and any IRC Section 1231 gain not subject to recapture (if line 32b is a gain, subtract line 32d from line 32b)	● 32f	00
g Total prior year capital loss carryover	● 32g	00
h Net capital gain (loss). If line 32f is a gain, subtract line 32g from line 32f. If negative, enter 0	● 32h	00
i Total post-apportioned and allocated amounts from gain (loss) netting. Combine line 32e and line 32h	● 32i	00
33 Net income (loss) for California purposes before contributions adjustment. Combine lines 18b, 27, 31, and 32i....	● 33	00
34 Contributions adjustment from Schedule R-6, line 15	● 34	00
35 Net income (loss) for California purposes. Combine line 33 and line 34. Enter here and on Form 100 or Form 100W, Side 2, line 18 or Form 100S, Side 2, line 15	● 35	00

**Complete the applicable
Schedules R-1 through R-7,
starting on Side 3.**

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Schedule R-1 Apportionment Formula.**Part A Standard Method – Single-Sales Factor Formula.** Complete this part only if the corporation uses the single-sales factor formula.

See General Information G and Specific Instructions.	(a) Total within and outside California	(b) Total within California	(c) Percent within California [(b) ÷ (a)] × 100
1 Sales: Gross receipts, less returns, and allowances			
a Sales delivered or shipped to California purchasers.			
(i) Shipped from outside California.			
(ii) Shipped from within California.			
b Sales shipped from California to:			
(i) The United States Government		●	
(ii) Purchasers in a state where the taxpayer is not taxable.			
c Total other gross receipts	●	●	
(i) Sales from services		●	
(ii) Sales or other income from intangibles		●	
(iii) Sales from rental, leasing or licensing of tangible or real property		●	
(iv) Sales from other gross receipts		●	
d Sales from partnerships or LLCs treated as partnerships	●	●	
Total sales	●	●	
2 Apportionment percentage. Divide total sales column (b) by total sales column (a) and multiply the result by 100. Enter the result here and on Schedule R, Side 1, line 18a. See General Information H			● _____ . _____ %

Part B Three-Factor Formula. Complete this part only if the corporation uses the three-factor formula.

	(a) Total within and outside California	(b) Total within California	(c) Percent within California [(b) ÷ (a)] × 100
1 Property: Use the average yearly value of owned real and tangible personal property used in the business at original cost. See General Information E. Exclude property not connected with the business and the value of construction in progress.			
Inventory			
Buildings			
Machinery and equipment (including delivery equipment)			
Furniture and fixtures			
Land			
Other tangible assets. Attach schedule			
Rented property used in the business. See General Information E			
Total property	●	●	● _____ . _____ %
2 Payroll: Use employee wages, salaries, commissions, and other compensation related to business income. See General Information F.			
Total payroll	●	●	● _____ . _____ %
3 Sales: Gross receipts, less returns, and allowances. See General Information G and Specific Instructions			
a Sales delivered or shipped to California purchasers.			
(i) Shipped from outside California.			
(ii) Shipped from within California.			
b Sales shipped from California to:			
(i) The United States Government			
(ii) Purchasers in a state where the taxpayer is not taxable.			
c Total other gross receipts	●	●	
Total sales	●	●	● _____ . _____ %
4 Total percent. Add the percentages in column (c)			_____ . _____ %
5 Apportionment percentage. Divide line 4 by 3, enter the result here and on Schedule R, Side 1, line 18a. See General Information H			● _____ . _____ %

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Schedule R-2 Sales and General Questionnaire. Attach additional sheets if necessary.

1 Describe briefly the nature and location(s) of the California business activities. _____

2 State the exact title and principal business activity of all joint ventures, partnerships, or LLCs in which the corporation has an interest. _____

3 Does the California sales figure on Schedule R-1 (or a comparable schedule in a combined report) include all sales shipped from California where the purchaser is the U.S. Government? Yes No If "No," explain. _____

4 Does the California sales figure on Schedule R-1 (or a comparable schedule in a combined report) include all sales shipped from California to states in which the taxpayer is not subject to tax? See General Information G and Specific Instructions. Yes No If "No," explain. _____

5 a Did the taxpayer use reasonable approximation to assign sales under Schedule R-1, Part A, line 1c (i)-(iv)? Yes No
If "Yes," provide a brief description. _____

b Did the taxpayer change reasonable approximation method to assign sales from the last tax return filed? See Specific Instructions. Yes No
If "Yes," provide a brief description of the new method. _____

6 Are the nonbusiness items reported on Schedule R, Side 1, line 2 through line 8, and the apportionment factor items reported on Schedule R-1 treated consistently on all state tax returns filed by the taxpayer? Yes No If "No," explain. _____

7 Has this corporation or any member of its combined unitary group changed the way income is apportioned or allocated to California from prior year tax returns? See General Information I. Yes No If "Yes," explain. _____

8 Does the California sales figure on Schedule R-1 (or comparable schedule in a combined report) include all sales shipped to California destinations? Yes No If "No," indicate the name of the selling member and the nature of the sales activity believed to be immune. _____

9 Does the California sales figure on Schedule R-1 (or comparable schedule in a combined report) include all sales delivered to customers outside California which have an ultimate destination in California? Yes No If "No," explain. _____

Schedule R-3 Net Income (Loss) from the Rental of Nonbusiness Property

	(a) Total outside California	(b) Total within California	(c) Total outside and within California (a) + (b)
1 Income from rents			
2 Rental deductions			
3 Net income (loss) from rents. Subtract line 2 from line 1. Enter the result here and enter column (c) on Side 1, line 4; enter column (b) on Side 1, line 20		<input checked="" type="radio"/>	<input checked="" type="radio"/>

Schedule R-4 Gain (Loss) from the Sale of Nonbusiness Assets

California sales of nonbusiness assets include transactions involving: (1) real property located in California; (2) tangible personal property, if it had a situs in California at the time of sale, or if the corporation is commercially domiciled in California and not taxable in the state where the property had a situs at the time of sale; and (3) intangible personal property if the corporation's commercial domicile is in California or the income is otherwise allocable to California.

Description of property sold	Real estate and other tangible assets		Intangible assets		(e) Gain (loss) (a)+(b)+(c)+(d)
	(a) Gain (loss) from outside California	(b) Gain (loss) from within California	(c) Gain (loss) from outside California	(d) Gain (loss) from within California	
1	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
2 Total gain (loss)	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>

Enter total gain (loss) line 2, column (e) on Side 1, line 6 and enter total of line 2, columns (b) and (d) on Side 1, line 22.

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Schedule R-5 Computation of Interest Offset. Complete only if there are entries on line 2 and/or line 3 of Schedule R and if Schedule R-1 is required. See General Information J. (California domiciliary only)

1 Total interest expense deducted	1		
2 Water's-edge foreign investment interest offset from Side 1, line 1b	2		
3 Balance. Subtract line 2 from line 1	3		
4 Total interest income (Form 100 or Form 100W, Side 1, line 4 and Schedule F, line 5a and line 5b; or Form 100S, Side 1, line 3 and interest income included on Schedule F, line 5 or Schedule K, line 4)	4		
5 Nonbusiness interest income from Side 1, line 3	5		
6 Business interest income. Subtract line 5 from line 4	6		
7 Excess interest expense over business interest income. Subtract line 6 from line 3. If line 6 exceeds line 3, enter -0- here and on Side 1, line 16, and do not complete the rest of this schedule	7	●	
8 Total dividend income	8		
9 Deducted dividends from Form 100, Side 2, lines 10 and 11; Form 100W, Side 2, lines 10 and 11a/b; or Form 100S, Side 2, lines 9 and 10	9		
10 Net dividend income. Subtract line 9 from line 8	10		
11 Business dividend income	11		
12 Deducted dividends from Form 100, Side 2, lines 10 and 11; Form 100W, Side 2, lines 10 and 11a/b; or Form 100S, Side 2, lines 9 and 10, attributable to business dividend income	12		
13 Net business dividend income. Subtract line 12 from line 11	13		
14 Net nonbusiness dividend income. Subtract line 13 from line 10	14		
15 Total nonbusiness interest and dividend income. Add line 5 and line 14	15		
16 Enter the lesser of line 7 or line 15. Enter here and on Side 1, line 16	16	●	

If interest and/or dividend income is reported on Side 1, line 19a or line 19b, enter the allocable portion of Schedule R-5, line 16 on Side 1, line 26.

See General Information J. If no interest or dividend income is reported on Side 1, line 19a or line 19b, **do not** deduct any interest expense on Side 1, line 26.

Schedule R-6 Contributions Adjustment. See General Information N.

1 Total contributions paid (current year and carryover amount)	1		
2 Net income (loss) after state adjustments from Side 1, line 1c	2		
3 Portion of dividends deductible under R&TC Sections 24410 and 24411 (from Form 100, Side 2, line 11; Form 100W, lines 11a/b; or Form 100S, lines 9 and 10), and other adjustments. See General Information N	3		
4 Contributions deducted on Form 100, Form 100W, or Form 100S	4		
5 Total. Add line 2 through line 4. If zero or less, enter -0-	5		
6 Multiply line 5 by 10% (.10)	6		
7 Net income (loss) for state purposes before contributions adjustment from Side 2, line 33	7		
8 Business dividends deductible on line 3 multiplied by the average apportionment percentage from Schedule R-1, Part A, line 2 or Part B, line 5	8		
9 Amount of line 3 attributable to nonbusiness dividends reported on Side 1, line 19a	9		
10 Contributions deducted (from line 4 above) multiplied by the average apportionment percentage from Schedule R-1, Part A, line 2 or Part B, line 5	10		
11 Total. Add line 7 through line 10. If zero or less, enter -0-	11		
12 Multiply line 11 by 10% (.10)	12		
Contributions Adjustment			
13 Enter the amount shown on line 10	13		
14 Amount of contributions allowable:			
a If line 1 equals or exceeds line 6, enter the lesser of line 1 or line 12	14a		
b If line 1 is less than line 6, divide line 11 by line 5. Then multiply line 1 by the result and enter here	14b		
15 Contributions adjustment. Subtract line 14a or line 14b from line 13. Enter here and on Side 2, line 34. If the result is a negative amount, enter in brackets	15	●	

Fill out the Schedule R-7 Election completely to make a valid election.

Name of corporation filing the single group return (key corporation*)

California corporation number

This election is an integral part of the return of all taxpayers participating in the election, and must be filed annually with Schedule R. Signing the California tax return is an acknowledgement that the key corporation and its electing affiliates agree to comply with the terms and conditions contained in this Schedule R-7 Election. (See Side 7 for the terms of this election).

Part I Taxpayers Electing to File, or No Longer Included in the Single Group Return. See instructions below before completing the tables.

*The key corporation must be taxable in California and, where applicable, be the parent corporation. If the parent corporation is not a California taxpayer, the key corporation should be the California taxpayer with the largest property factor numerator in California. For a complete definition of a key corporation, see Side 7 Terms and Conditions.

In order for a group return to satisfy the individual subsidiary's filing requirements, the Schedule R-7 must include all of the information requested in Part I, Section A, (see Cal. Code Regs., tit. 18 section 25106.5-11). If the information in Part I, Section A, is not filled out completely, the electing member(s) Schedule R-7 election may be disallowed. If an electing member(s) Schedule R-7 election is disallowed, they must file a separate California return.

Check box A if the electing member is incorporated, organized, qualified, or registered to do business in California.

Check box B if the electing member has any property, payroll, sales in California, or derives income from sources within California, but is not doing business in California.

Check box C if the corporation is a new electing member for this current group.

Enter the California corporation number if one was assigned by the California Secretary of State (SOS) or the Franchise Tax Board (FTB).

Note: Schedule R-7, Part I, Section A, **should only** contain information of corporations that are required to file a return in California, and who are subject to California income or franchise tax. If a corporation does not have a California return filing requirement, the entity should not be listed in this Part I, Section A. The entity should be listed in Part II, Other Affiliated Corporations. The first corporation listed should be the "key corporation." The "key corporation" information entered in Schedule R-7, Part I, Section A, must match the information of the corporation entered on Form 100 or Form 100W, Side 1.

Total the number of members (including parent/key corporation) listed below, and enter the result on **Form 100 or 100W**, Side 1, Schedule Q, Question B3.

Section A – List of Taxpayers Making Election to File a Single Group Tax Return. Attach additional sheets using the same format, if necessary.

Name of corporation filing the single group return (key corporation*)	California corporation number
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Part I Taxpayers Electing to File, or No Longer Included in the Single Group Return. See instructions below before completing the tables.
(continued) Use Part I, Section B, to list each taxpayer that is no longer included in the single group tax return from prior year Part I, Section A. Include each taxpayer's legal name, California corporation number or federal employer identification number (FEIN), and effective date in the space provided. The effective date is the date that the entity is removed from the single group tax return.

Section B – List of Taxpayers No Longer Included in the Single Group Tax Return After the Last Filing. Attach additional sheets using the same format, if necessary.

Taxpayer's name (Enter the legal name that is filed with the California SOS)	California corporation number (if one is assigned)	FEIN	Effective date (mm/dd/yyyy)
○	○	○	○
○	○	○	○
○	○	○	○
○	○	○	○

Part II Other Affiliated Corporations. List each affiliated corporation **not** listed in Part I, Section A. A corporation is an affiliated corporation for this purpose if it is a member of the same commonly controlled group (see R&TC Section 25105(b) and FTB Pub. 1061, Guidelines for Corporations Filing a Combined Report, for more information). All affiliated corporations should be listed whether or not they are California taxpayers or are unitary with the key corporation. Include the California corporation number for each taxpayer. If the California corporation number is not available, then include the FEIN.

List of Affiliates Not Included in Part I, Section A. Attach additional sheets using the same format, if necessary.								
Affiliate corporation's name	California corporation number (if applicable) or FEIN	Is this corporation unitary with the electing group?	Does this corporation file a California tax return on a different fiscal year than the electing group?	Was this corporation acquired or disposed of during the year?				
		Yes	No	Yes	No	Acq.	Dis.	Date (mm/dd/yyyy)
○	○	○	○	○	○	○	○	○
○	○	○	○	○	○	○	○	○
○	○	○	○	○	○	○	○	○
○	○	○	○	○	○	○	○	○
○	○	○	○	○	○	○	○	○
○	○	○	○	○	○	○	○	○

Schedule R-7 – Terms and Conditions. This election is an integral part of the return of all taxpayers participating in the election, and must be filed annually with Schedule R. Signing the California tax return is an acknowledgement that the key corporation and its electing affiliates agree to comply with the following terms and conditions:

Each of the taxpayers listed in Schedule R-7, Part I, Section A, hereby elect to file a single unitary taxpayers' group return. The unitary taxpayers' group return constitutes the return for each member of the electing group and satisfies the requirement of each electing member to file its own return.

Each corporation that elects to participate in a group return agrees to be bound by the terms and conditions specified in this schedule and instructions under General Information P, Group Return Election. The filing of its group return indicates acceptance of all terms and conditions. To be eligible, each corporation must meet all of the following:

- 1) Be a taxpayer required to file a return in California.
- 2) Be a member of a combined report for its entire taxable year.
- 3) Have the same taxable year as the key corporation or have a taxable year that is wholly included within the taxable year of the key corporation.
- 4) Have the same statutory filing date as the key corporation for the taxable year.

The **key corporation** must file the unitary taxpayers' group return. With the initial return and thereafter, any payment of taxes for the taxable year shall be made using the key corporation's California corporate number as designated in Part I, Section A.

The key corporation must be taxable in California and, where applicable, be the parent corporation. If the parent corporation is not a California taxpayer, the key corporation should be the California taxpayer with the largest property factor numerator in California. For the election to be valid, the key corporation's powers, rights, and privileges must not be suspended or forfeited. The key corporation agrees to act as surety and agent (including filing a single power of attorney for the group, when applicable) for each member of the group. In addition, all electing members agree that subsequent adjustments to the liability of the members of the group may be assessed, billed, or paid to the key corporation on behalf of its members, either in the name of the key corporation or the name of the members. Adjustments to the liability of the members of the group will ordinarily be reflected in a single notice. However, supplemental schedules reflecting the adjusted liability of each member will be provided upon request.

A California waiver of a statute of limitation (SOL) by the key corporation will waive the SOL for **all** electing member corporations. If the key corporation does not fulfill its obligation to pay tax or act on behalf of its members, each member may be independently assessed or billed for its own tax liability. If that becomes necessary, each member

will generally be credited with taxes previously paid in accordance with the member's self-assessed tax liability (see FTB Legal Ruling 95-2).

It is the responsibility of the members of the group to assure that amounts paid by one member on behalf of another are properly accounted for between the members. For electing members subject to the franchise tax, the liability for each electing corporation cannot be less than the minimum tax.

The election is binding on all members for all matters for the taxable year of the election. If some or all of the corporations included in the election to file a unitary taxpayers' group return are later determined not to be members of the unitary group of the key corporation, the key corporation and electing members agree that any subsequent adjustment for any and all members included in the original group return may still be assessed, billed, or paid by the key corporation.

The election remains in effect for the payment of estimated tax and tax paid with an extension of time to file for the following year by the key corporation on behalf of the group, unless a written notice of termination of the election is provided to the FTB or before the time of payment.

See General Information P, Group Return Election, for more information.