

For the CALENDAR year **2003** or other taxable period beginning _____ and ending _____
Mo Day Year Mo Day Year

Due Date for CALENDAR year filers is on or before March 15, 2004 or for fiscal filers the 15th day of the 3rd month after the close of the taxable period.

YOU ARE REQUIRED TO FILE THIS FORM IF YOUR GROSS BUSINESS INCOME WAS GREATER THAN \$50,000.

STEP 1 Please Print or Type	NAME OF PRINCIPAL NH BUSINESS ORGANIZATION	FEDERAL EMPLOYER IDENTIFICATION NUMBER
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STEP 2 Questions

A Is the corporation filing its tax return on an IRS approved 52/53 week tax year? Yes _____ No _____

B Does the corporation file as part of a unitary group in any other jurisdiction? Yes _____ No _____

C Has the corporation been found to be unitary by any other jurisdiction? Yes _____ No _____

D Is this corporation affiliated with any other business organization not included within this combined return that files business tax returns with this department? Yes _____ No _____

Please identify by name and FEIN _____

STEP 3 Figure Your Taxes

1 Gross Business Profits		Bonus Depreciation	<input type="checkbox"/>
(a) Combined Net Income from Schedule I, column E, Line 28 (If negative, show in parenthesis) 1(a)			
(b) Separate entity or passive loss limitation adjustments 1(b)			
(c) Subtotal [Line 1(a) adjusted by Line 1(b)]. If negative, show in parenthesis (See instructions for Net Operating Loss (NOL) provisions) 1(c)			
(d) Foreign Dividends (Must be the same amount as Schedule II, Line 6 and the total of Column B on Schedule III) 1(d)			
(e) NH Combined Net Income (Line 1(c) adjusted by Line 1(d). If negative, show in parenthesis) 1(e)			
2 Additions and Deductions			
(a) Add back income taxes or franchise taxes measured by income ... 2(a)			
(b) NH Net Operating Loss Deduction (Attach Form DP-132-WE) 2(b)			
(c) Interest on direct US Obligations 2(c)			
(d) Wage adjustment required by IRC Section 280C 2(d)			
(e) Deductible dividends (See instructions) 2(e)			
(f) Income exempt under federal constitutional law, net of related expenses 2(f)			
(g) Distribution from joint venture or partnership subject to NH taxation 2(g) <small>(Attach schedule: Name, FEIN and amount distributed)</small>			
(h) Foreign dividend gross-up (IRC Section 78) 2(h)			
(i) Research contribution (See RSA 77-A:4 XII. Attach computation) .. 2(i)			
(j) Contributions made to a Qualified Investment Capital Company 2(j) <small>(Attach schedule detailing, Name, FEIN and amount)</small>			
(k) Add back return of capital from Qualified Investment Capital Company .. 2(k) <small>(Attach schedule detailing, Name, FEIN and Amount)</small>			
(l) Combine Lines 2(a) through 2(k). (If negative, show in parenthesis.) 2(l)			
3 Adjusted Gross Business Profits (Line 1(e) adjusted by Line 2(l). (If negative, show in parenthesis) .. 3			
4 New Hampshire Apportionment (Form DP-80, Line 5. Express as a decimal to 6 places.) 4			
5 New Hampshire Water's Edge Taxable Business Profits (Line 3 multiplied by Line 4) 5			
6 New Hampshire Foreign Dividends Taxable Business Profits (From Schedule II, Line 7) 6			
7 New Hampshire Taxable Business Profits (Line 5 plus Line 6. If negative, enter zero) 7			
8 New Hampshire Business Profits Tax (Line 7 x 8.5%) 8			

STEP 4 Figure Your Credits

9 Credits allowed under RSA 77-A:5 (Attach Form DP-160-WE) 9			
10 Subtotal (Line 8 minus Line 9) 10			
11 Business Enterprise Tax Credit 11			
12 Business Enterprise Tax Credit to be applied against Business Profits Tax (Enter the lesser of Line 10 or Line 11) 12			
13 NH Business Profits Tax Net of Statutory Credits (Line 10 minus Line 12. IF NEGATIVE, ENTER ZERO.) 13			

**ENTER THE AMOUNT FROM LINE 13 ON LINE 1(b) OF THE BT- SUMMARY FORM.
IF YOU HAVE COMPLETED THIS RETURN IT MUST BE FILED WITH THE BT-SUMMARY.**

This page must be completed in its entirety as part of the NH-1120-WE. This page identifies the principal New Hampshire business organization, as defined in Rev. 10/03 301.24, other members of the Water's Edge Combined Group, as defined in RSA 77-A:1 and those affiliates excluded from the group as non-unitary or qualified Overseas Business Organizations as defined by RSA 77-A:1.

A PRINCIPAL NH BUSINESS ORGANIZATION	FEDERAL EMPLOYER IDENTIFICATION NUMBER
NUMBER & STREET ADDRESS	
STREET ADDRESS (CONTINUED)	
CITY/TOWN, STATE & ZIP CODE	

B NH BUSINESS ACTIVITY

For sections C, D, E, and F, in the nexus column please indicate with an X those members which have nexus with New Hampshire.

Attach additional sheets for the following, if necessary

C Other members included in the Water's Edge Combined Group. Please check off those members who have nexus with NH.

	Name of Business Organization	FEIN	Nexus
1			
2			
3			
4			
5			
6			
7			
8			

D Parent Company of this Combined Group	FEIN	Nexus
_____	_____	_____

E Name and federal employer identification numbers of the domestic affiliated business organizations who are excluded from the NH Water's Edge Combined Group as non-unitary members. Please check off those members who have nexus in NH.

	Name of Business Organization	FEIN	Nexus
1			
2			
3			
4			
5			
6			
7			
8			

F Name, location, and federal employer identification number, if applicable, of the affiliates excluded from the group as qualified Overseas Business Organizations, as defined by RSA 77-A:1, XIX. Please check off those members who have nexus in NH.

	Name and Location of Business Organization	FEIN	Nexus
1			
2			
3			
4			
5			
6			
7			
8			

G Optional Information

Taxpayer Contact (Name and Title)	Telephone Number
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Schedule I

For the CALENDAR year **2003** or other taxable period beginning _____ and ending _____
Mo Day Year Mo Day Year

PRINCIPAL NH BUSINESS ORGANIZATION			FEDERAL EMPLOYER IDENTIFICATION NUMBER		
	A	B	C	D	E
	US Consolidated	LESS: Overseas Business Organizations included in Column A	LESS: Non-Unitary Entities included in Column A	ADD: Unitary Entities not included in Column A	Combined Net Income
1 Gross receipts or sales 1					
2 Cost of goods sold and/or operations 2					
3 Gross profit (Line 1 minus Line 2) 3					
4 Dividends 4					
5 Interest 5					
6 Gross rents 6					
7 Gross royalties 7					
8 Capital gain net income 8					
9 Net gain (loss) from Form 4797 9					
10 Other income 10					
11 TOTAL INCOME (Lines 3 through 10) 11					
12 Compensation of officers 12					
13 Salaries and wages (Less Jobs credit) 13					
14 Repairs 14					
15 Bad debts 15					
16 Rents 16					
17 Taxes 17					
18 Interest 18					
19 Contributions 19					
21b Depreciation 21b (Net of depreciation claimed elsewhere on return)					
22 Depletion 22					
23 Advertising 23					
24 Pension, profit-sharing and other similar type plans 24					
25 Employee benefit programs 25					
26 Other deductions (Attach schedule) 26					
27 TOTAL DEDUCTIONS 27 (Total Lines 12 through 26)					
28 TAXABLE INCOME before net operating loss deduction and special deductions (Line 11 minus Line 27) . 28					

NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION
COMBINED COST OF GOODS SOLD AND/OR OPERATIONS
SCHEDULE IA

GENERAL INSTRUCTIONS

Form NH-1120-WE is used for combined filing. Consolidated returns are not permitted. The purpose of Schedule I is to calculate the combined net income of the water's edge group.

Column A	US Consolidated - Enter the amounts from page 1 of the US consolidated return of the principal New Hampshire business organization, as defined in Rev 301.24.
Column B	Overseas Business Organizations Included in Column A - Enter the total of those business organizations included in the consolidated US corporate income tax return which qualify as overseas business organizations, as defined by RSA 77-A:1,XIX. These business organizations are included in part F of the NH-1120-WE, page 2, Affiliation Schedule.
Column C	Non-Unitary Entities Included in Column A - Enter the total of those entities included in the consolidated US corporate income tax return which are not part of the water's edge combined group, as defined in RSA 77-A:1, XV. These business organizations are included in part E of the NH-1120-WE, Combined Business Profits Tax Affiliation Schedule.
Column D	Unitary Entities Not Included in Column A - Enter the total of those business organizations including corporations, partnerships, joint ventures, etc., which are part of the water's edge combined group but are not part of the consolidated US corporate income tax return reported in Column A.
Column E	Combined Net Income - Enter in column E the total of column A less columns B and C, plus column D. This total represents the combined net income of the water's edge group. Enter on Form NH-1120-WE Line 1(a) the amount from Column E, Line 28.

Supporting schedules in column form **must** be submitted for amounts in columns A through D which represent more than one entity, (e.g. the US consolidating schedule prepared for federal purposes would support column A). The supporting schedules must show intercompany eliminations as required by Rev. 10/03 307.07(c). Gross business profits calculation for business organizations that are included in a US consolidated corporate income tax return must reflect the adjustments required in Rev 302.09.

For the CALENDAR year **2003** or other taxable period beginning Mo Day Year and ending Mo Day Year

Principal NH Business Organization

Federal Employer Identification Number

This schedule must be completed and submitted for all NH-1120-WE filers that have a Cost of Goods Sold and/or Operations.

The amounts on this schedule are the components of the combined Cost of Goods Sold as entered on Schedule I, Column E, Line 2.

1 Inventory at beginning of year	1
2 Purchases	2
3 Cost of labor	3
4a Additional Section 263A costs (Attach schedule)	4a
4b Other costs (Attach schedule)	4b
5 Total (Sum of Line 1 through Line 4b)	5
6 Inventory at end of year	6
7 Cost of goods sold and/or operations (Line 5 minus Line 6). Enter here and on Schedule I, Column E, Line 2	7

The NH-1120-WE Schedule IA is patterned after the United States Corporation Return Cost of Goods Sold Schedule (Form 1120, page 2, Schedule A). Therefore, all references and terminology are from the Internal Revenue Service.

The amounts to be entered on NH-1120-WE Schedule IA Cost of Goods Sold and/or Operations are for the New Hampshire combined group.

NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION
APPORTIONMENT OF FOREIGN DIVIDENDS
SCHEDULE II

For the CALENDAR year **2003** or other taxable period beginning _____ and ending _____
 Mo Day Year Mo Day Year

Principal NH Business Organization			
Federal Employer Identification Number			
LINE 1 SALES	EVERYWHERE (Denominator)	NEW HAMPSHIRE (Numerator)	NH as portion of EVERYWHERE
1(a) Enter amounts from Form DP-80, Schedule A, Line 1	1(a)	1(a)	
1(b) Enter the Foreign Dividend Sales Factor Increment from Schedule III, Column L	1(b)		
1(c) Enter the Adjusted Sales Factor [Line 1(a) plus Line 1(b)]	1(c)	1(c)	
1(d) Enter Line 1(c) NH divided by Line 1(c) Everywhere		1(d)	
1(e) Enter Line 1(d) multiplied by 2 expressed as a decimal to 6 places			1(e) .
LINE 2 PAYROLL	EVERYWHERE (Denominator)	NEW HAMPSHIRE (Numerator)	NH as portion of EVERYWHERE
2(a) Enter the amounts from Form DP-80, Schedule A, Line 2.	2(a)	2(a)	
2(b) Enter the Foreign Dividend Payroll Factor Increment from Schedule II, Column M	2(b)		
2(c) Enter the Adjusted Payroll Factor [Line 2(a) plus Line 2(b)]	2(c)	2(c)	
2(d) Enter Line 2(c) NH, divided by Line 2(c) Everywhere total and express as a decimal to 6 places.			2(d) .
LINE 3 PROPERTY	EVERYWHERE (Denominator)	NEW HAMPSHIRE (Numerator)	NH as portion of EVERYWHERE
3(a) Enter the amount from Form DP-80, Schedule A, Line 3	3(a)	3(a)	
3(b) Enter the amount of Foreign Dividend Property Factor Increment from Schedule III, Column N	3(b)		
3(c) Enter the Adjusted Property Factor [Line 3(a) plus Line 3(b)]	3(c)	3(c)	
3(d) Enter Line 3(c) NH, divided by Line 3(c) Everywhere total and expressed as a decimal to 6 places			3(d) .
LINE 4 Total [Add Lines 1(e), 2(d), and 3(d)]			4 .
LINE 5 Modified Apportionment Percentage (Line 4 divided by 4, expressed as a decimal to 6 places. If there are only one or two factors, then see instructions)			5 .
LINE 6 FOREIGN DIVIDENDS as defined in RSA 77-A:1, XVII (This amount must agree with NH-1120-WE, page 1, Line 1(d) and the total of Form Schedule III, Column B.)			6
LINE 7 NEW HAMPSHIRE FOREIGN DIVIDENDS TAXABLE BUSINESS PROFITS (Line 6 multiplied by Line 5) Enter this amount on Form NH-1120-WE, Line 6.			7

APPORTIONMENT OF FOREIGN DIVIDENDS**SCHEDULE II**

INSTRUCTIONS

Schedule II is used to compute the modified apportionment percentage needed to determine the amount of foreign dividends, as defined by RSA 77-A:1, XVII, which are to be included in the New Hampshire Taxable Business Profits for the water's edge combined group. Prior to completing Schedule II, you must first complete Form DP-80 for the combined group and Schedule III.

STEP 1	Complete the Form DP-80 and enter the amount of Everywhere and New Hampshire sales, payroll, and property on Lines 1(a), 2(a), and 3(a) respectively of the NH-1120-WE.
STEP 2	<p>Complete Schedule III. The Foreign Dividend Factor Increments calculated on Schedule III for sales, payroll, and property must be carried to this schedule as follows:</p> <ol style="list-style-type: none"> 1. Enter the total of Schedule III, column L on Line 1(b). 2. Enter the total of Schedule III, column M on Line 2(b). 3. Enter the total of Schedule III, column N on Line 3(b). <p>Note: The New Hampshire amount for Foreign Dividend Factor Increments will always be zero.</p>
STEP 3	<p>Total the Everywhere and New Hampshire sales (Line 1c), payroll (Line 2c), and property (Line 3c) to obtain denominators and numerators for each. Complete the following calculations, as done for Form DP-80, expressed in decimal form and computed to 6 places.</p> <ol style="list-style-type: none"> 1. Divide the total NH sales by the total Everywhere sales. Multiply Line 1(d) by 2 to arrive at the adjusted sales factor and enter this amount on Line 1(e). 2. Divide the total NH payroll by the total Everywhere payroll to arrive at the adjusted payroll factor and enter this amount on Line 2(d). 3. Divide the total NH property by the total Everywhere property to arrive at the adjusted property factor and enter this amount on Line 3(d).
STEP 4	Add Lines 1(e), 2(d), and 3(d) and enter the sum on Line 4.
STEP 5	<p>Divide Line 4 by 4. If there are less than 3 factors with an "Everywhere" denominator, then divide Line 4 as follows:</p> <ul style="list-style-type: none"> ▪ Sales/Receipts and Payroll- divide by 3 ▪ Sales/Receipts and Property- divide by 3 ▪ Payroll and Property- divide by 2 ▪ Sales/Receipts only- divide by 2 ▪ Property OR Payroll only- divide by 1 <p>Enter the results of your calculation on Line 5. This is the modified apportionment percentage to be applied to taxable foreign dividends.</p>
STEP 6	Enter the amount of taxable foreign dividends on Line 6. This amount must agree with NH-1120-WE, page 1, Line 1(d) and the total of Schedule III, column B.
STEP 7	Multiply Line 6 by the modified apportionment percentage on Line 5. This is the NH Foreign Dividends Taxable Business Profits. Enter this amount on Line 7 and also on NH-1120-WE, page 1, Line 6.

NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION
FOREIGN DIVIDEND FACTOR INCREMENTS
SCHEDULE III

Schedule III

For the CALENDAR year **2003** or other taxable period beginning _____ and ending _____
Mo Day Year Mo Day Year

Column A	B	C	D
NAME OF PAYOR	DIVIDEND	TAXABLE INCOME	PERCENTAGE (B ÷ C)
1			
2			
3			
4			
5			
6			
7			
8			

TOTAL

Column E	F	G	H	I
SALES AND RECEIPTS	PAYROLL	BEGINNING PROPERTY	ENDING PROPERTY	AVERAGE PROPERTY (G + H) ÷ 2
1				
2				
3				
4				
5				
6				
7				
8				

Column J	K	L	M	N
RENTS x 8	TOTAL PROPERTY (I + J)	MODIFIED SALES (D x E)	MODIFIED PAYROLL (D x F)	MODIFIED PROPERTY (D x K)
1				
2				
3				
4				
5				
6				
7				
8				

TOTALS [Carry total modified factor amounts to Schedule II, Line 1(b), 2(b) and 3(b)]

FOREIGN DIVIDEND FACTOR INCREMENTS**SCHEDULE III**

INSTRUCTIONS

New Hampshire law provides factor relief for the dividends received from overseas business organizations as defined in RSA 77-A:1, XIX. In order to obtain factor relief, a separate apportionment percentage for foreign dividends must be calculated.

Column A	<p>List in column A the unitary foreign dividend payors whose dividends qualify for factor relief, including those from:</p> <p>NH 80/20 business organization is defined in Rev 301.11 as an entity whose income is included in a consolidated US income tax return but whose activities are primarily outside the US because 80 percent or more of the average of payroll and property is outside the 50 states and the District of Columbia.</p> <p>Controlled foreign corporations (CFC) that meet the payroll and property requirements of an overseas business organization as defined in RSA 77-A:1, XIX.</p> <p>IRC Section 936 Sales Companies that meet the payroll and property requirements of an overseas business organization.</p> <p>Foreign sales corporation (FSC) that meet the payroll and property requirements of an overseas business organization.</p> <p>Business organizations meeting the payroll and property requirements of an overseas business organization which made deemed dividends to a member of the unitary group.</p>
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FOR EACH UNITARY DIVIDEND PAYOR LISTED ABOVE, PROVIDE THE FOLLOWING INFORMATION IN US DOLLARS:

Column B	Enter the amount of the dividend paid or deemed paid.
Column C	Enter the taxable income computed using US tax standards.
Column D	Enter the result of column B divided by column C, expressed as a decimal to 6 places. If this amount is greater than 1, enter 1.000000. If this amount is less than zero, enter zero.
Column E	Enter the sales and receipts less returns and allowances pursuant to RSA 77-A:3, I(c). Refer to Rev 304.05.
Column F	Enter the total payroll pursuant to RSA 77-A:3, I(b). Refer to Rev 304.04.
Columns G & H	Enter the beginning and ending property valued at original cost pursuant to RSA 77-A:3, I(a). Refer to Rev 304.03.
Column I	Enter the results of the sum of Column G and Column H divided by 2.
Column J	Enter the valuation of rented property valued at 8 times the net annual rental rate pursuant to RSA 77-A:3, I(a). Refer to Rev 304.03(e).
Column K	Enter the total of Columns I and J.
Columns L, M & N	<p>Enter the product of Column D multiplied by Columns E, F and K, respectively.</p> <p>The total of Columns L, M and N will be used on Schedules II, Lines 1(b), 2(b) and 3(b) to modify the apportionment percentage used to determine the amount of foreign dividends from unitary sources subject to New Hampshire Business Profits Tax.</p>

USE ADDITIONAL SHEETS IF NECESSARY