

|             |  |                 |
|-------------|--|-----------------|
| <b>2006</b> | <b>City of Saginaw Income Tax<br/>Business Computation</b> | <b>S-1040BC</b> |
|-------------|--|-----------------|

**FOR NONRESIDENTS AND PART-YEAR RESIDENTS ONLY**

**All Totals from S-1040BC go on the S-1040, Page 1 Exclusions Column) and are not Taxable.**

|      |                        |
|------|------------------------|
| Name | Social Security Number |
|------|------------------------|

**MUST ALSO ATTACH FEDERAL SCHEDULE C**

| <b>Business Income Exclusion</b>  |    |    |
|---|----|----|
| 1. Income for taxable period (S-1040, Page 1, Line 5 From Federal Return Column)  |    | \$ |
| 2. Job Credit   | \$ |    |
| Additional depreciation due to Investment Credit Adjustment   |    |    |
| Meal and entertainment expenses adjustment  |    |    |
| 3. Subtotal (Line 1 – Line 2) Enter here and on S-1040, Line 5, Exclusions Column   |    | \$ |
| 4. Allocation percentage from “Business Allocation Formula”, Line 5. If all Business was conducted in Saginaw, enter 100% and DO NOT fill in formula. | %  |    |
| 5. Allocated income (Line 3 x Line 4)   |    |    |
| 6. <b>Total Excludable Business Income</b> (Line 3 – Line 5). Enter here and on S-1040, Line 5, Exclusions  |    | \$ |

| <b>Business Allocation Formula</b>   | <b>Column I<br/>Located<br/>Everywhere</b> | <b>Column II<br/>Located in<br/>Saginaw</b> | <b>Column III<br/>Percentage<br/>II ÷ I</b> |
|--|--|---|---|
| 1. Average net book value of real and tangible personal property, including inventories                                    |  |   |   |
| a. Gross annual rentals of real property multiplied by 8   |  |   |   |
| b. Total (Lines 1 + 1a)  |  |   | %   |
| 2. Total wages, salaries, commissions and other compensation of all employees  |  |   | %   |
| 3. Gross receipts from sales made or services rendered   |  |   | %   |
| 4. Total Percentages-Column III, Lines 1b + 2 + 3<br>(a percentage must be computed for each of Lines 1b, 2 and 3)         |  |   | %   |
| 5. Average Percentage (divide by number of factors used).<br>Enter here and on Line 4 of Business Income Exclusions above. |  |   | %   |

| <b>Profit (or Loss) from Business or Profession (Schedule C – Federal Form 1040)</b> |    |                        |    |
|--|----|------------------------|----|
| Business Name  |    |                        |    |
| Gross Receipts   | \$ | Gross Profit           | \$ |
| Less: Expenses   | \$ | Net Profit (or Loss)   | \$ |
| Cost of Goods Sold   | \$ | Additional Information |    |