

NAME	IDENTIFICATION NUMBER
STREET ADDRESS	
CITY, TOWN, OR POST OFFICE	STATE
ZIP CODE	

SCHEDULE - WEST VIRGINIA SMALL BUSINESS INVESTMENT AND JOBS EXPANSION TAX CREDIT

PART I QUALIFIED INVESTMENT PLACED IN SERVICE OR USE IN THIS TAXABLE YEAR IN WEST VIRGINIA	Date Placed In Service or Use MONTH/DAY/YEAR	(1) Cost or Other Basis	(2) Applicable Percentage	(3) Qualified Investment Col. 1 X Col. 2
Section 1. PURCHASED PROPERTY				
(a) Land				
(1) Natural resources in place*			100%	
(2) Land			100%	
(b) Buildings and Other Improvements to Real Property				
(1) Useful life less than 4 years			0%	
(2) 4 years but less than 6 years			33.33%	
(3) 6 years but less than 8 years			66.66%	
(4) 8 years or more			100%	
(c) Machinery, Equipment, and Other Depreciable or Amortizable Tangible Personal Property**				
(1) Useful life less than 4 years			0%	
(2) 4 years but less than 6 years			33.33%	
(3) 6 years but less than 8 years			66.66%	
(4) 8 years or more			100%	
(d) TOTAL				
Section 2. LEASED PROPERTY				
(a) Land				
(1) Natural resources in place capable of 10 or more years of sustained production.			100%	
(2) Land with primary lease term of 10 or more years			100%	
(b) Buildings and Other Improvements to Real Property				
(1) Primary lease term and useful life of property 10 years or more			100%	
(c) Machinery, Equipment, and Other Depreciable or Amortizable Tangible Personal Property				
(1) Primary lease term or useful life less than 4 years			0%	
(2) Primary lease term and useful life of property 4 to 6 years			33.33%	
(3) Primary lease term and useful life of property 6 to 8 years			66.66%	
(4) Primary lease term and useful life of property 8 years or more			100%	
(d) TOTAL				

*Natural resources in place must be capable of sustained production for a period of ten (10) or more years.

**Tangible personal property is that eligible for depreciation or amortization for federal income tax purposes having a useful life (economic life) of four (4) or more years.

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	Date Placed In Service or Use MONTH/DAY/YEAR	(1) Adjusted Cost or Other Basis*	(2) Applicable Percentage	(3) Qualified Investment Col. 1 X Col. 2
Section 3. TRANSFERRED PROPERTY				
(a) Owned Machinery, Equipment, and Other Tangible Personal Property				
(1) Remaining useful life less than 4 years			0%	
(2) Remaining useful life 4 to 6 years			33.33%	
(3) Remaining useful life 6 to 8 years			66.66%	
(4) Remaining useful life 8 or more years			100%	
(b) Leased Machinery, Equipment, and Other Tangible Personal Property				
(1) Remaining years of primary lease term and useful life less than 4 years			0%	
(2) Remaining years of primary lease term and useful life 4 to 6 years			33.33%	
(3) Remaining years of primary lease term and useful life 6 to 8 years			66.66%	
(4) Remaining years of primary lease term and useful life 8 years or more			100%	
(c) TOTAL				
Section 4. SUMMARY OF QUALIFIED INVESTMENT				
(a) Amount from Part 1, Section 1, line (d), Column 3				
(b) Amount from Part 1, Section 2, line (d), Column 3				
(c) Amount from Part 1, Section 3, line (c), Column 3				
(d) Total (add lines (a) (b) and (c))				

*Adjusted cost or other basis is original cost or other basis, less straight line depreciation for period of time the taxpayer used the transferred property outside this State. In the case of leased property it is the rent reserved for the remainder of the primary term of the lease.

ONLY FOR PROPERTY INITIALLY PLACED INTO SERVICE PRIOR TO 3/10/90	Date Placed In Service or Use MONTH/DAY/YEAR	(1) Cost or Other Basis	(2) Applicable Percentage	(3) Qualified Investment Col. 1 X Col. 2
Section 5. LEASED PROPERTY - FOR WHICH THE COST IS NOT QUANTIFIABLE AT THE OUTSET OR WHICH VARIES ANNUALLY*				
(a) Natural resources in place - Royalties actually paid to owner of the natural resource during this taxable year			100%	
(b) Real property - Payments made during this taxable year			100%	
(c) Tangible personal property				
(1) Primary lease term or useful life of property less than 4 years			0%	
(2) Primary lease term or useful life of property 4 to 6 years			33.33%	
(3) Primary lease term or useful life of property 6 to 8 years			66.66%	
(4) Primary lease term or useful life of property 8 years or more			100%	
(d) TOTAL				

*Natural resources in place must be capable of sustained production for a period of ten (10) or more years. Any other qualifying real property must have a primary lease term of ten (10) or more years.

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PART II Section 1. New Jobs	Number of Employees Column 1	Payroll of Column 1 Employees Column 2
1. What was the taxpayer's total employment in this State prior to this qualified investment being placed in service or use?		
2. What was taxpayer's total employment in this State during the taxable year?		
3. What was the taxpayer's total average employment in this State during the taxable year?		
4. How many new jobs filled by West Virginia domiciled West Virginia residents are directly attributable to this qualified investment?		
5. How many jobs filled by both West Virginia residents and nonresidents working in the state, including new jobs filled by new employees, are directly attributable to this qualified investment?		

Section 2. Payroll Factor Computation			
_____	Divided by	_____	= _____
(Part II Section 1, line 5, Column 2) (Compensation paid to new employees hired as a result of the New Investment)		(Part II Section 1, line 2, Column 2) (Compensation paid to all West Virginia employees of the taxpayer)	(Rounded to six decimals)
<p>If the use of this payroll factor computation results in a significant distortion of tax liability attributable to the investment, the Tax Commissioner may prescribe use of an alternative method for determining such tax liability.</p>			

Section 3. Affiliated Companies of Controlled Group	
NAME OF COMPANY	FEIN NUMBER
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____

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Section 4. Annual Payroll Questionnaire Calculations	
<ol style="list-style-type: none"> 1. Total payroll of all firms operating on a full year basis during preceding year. 2. Total payroll adjusted. <ol style="list-style-type: none"> a. Total payroll of all firms operating on a partial year basis during preceding year. b. Amount of payroll in 2(a) divided by number of weeks in operation (include fractions of weeks) c. Adjusted payroll (Amount in 2(b) multiplied by 52 weeks) 3. Sum of full year and partial year payroll. 	<hr/> <hr/> <hr/> <hr/> <hr/> <hr/>

Section 5. Annual Gross Receipts	
<ol style="list-style-type: none"> 1. Annual gross receipts of all firms operating on a full-year basis during the preceding three (3) years (see Instructions). <ol style="list-style-type: none"> a. Year 1 (19 ____) b. Year 2 (19 ____) c. Year 3 (19 ____) d. Highest gross receipts from a, b, or c. 2. Annual gross receipts of all firms in operation for less than three (3) complete fiscal years. <ol style="list-style-type: none"> a. Total gross receipts, less deductions, for the entire period in operation. b. Number of weeks (including fractions) in operation. c. Total gross receipts 2(a) divided by number of weeks 2(b). d. Derived "Annual Gross Receipts" - Total calculated in 2(c) multiplied by fifty two (52). 	<hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>

Section 6. Median Annual Compensation	
<p>*Median Annual Gross Compensation _____</p> <p>*Arrange the annual compensation amount of each employee in an hierarchy ranking such amounts from lowest to highest, then select the middle number.</p>	

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SMALL BUSINESS CREDIT

With the annual income tax return, for each year of the ten year credit period, the taxpayer shall certify:

- (1) The new jobs percentage for this taxable year.
- (2) The amount of the credit allowance for this taxable year.
- (3) If a partnership or small business corporation (S-Corporation), the amount of credit allowed to the partners or shareholders for this tax year.
- (4) That the qualified investment property continues to be used, or, if disposed of, the date of disposition and that the disposition was not prior to the expiration of its useful life.
- (5) That the new jobs created by the qualified investment continue to exist and are filled by persons who meet the definition of new employee and whose annual compensation equals or exceeds the minimum average compensation required for this credit.

These credits are allowable for a period of ten (10) years. Unused rebate credit may be carried forward for three (3) additional tax years beyond the ten (10) year period.

The ten (10) year period begins with the taxable year in which the qualified investment property is placed in service or use, or at the taxpayer's election, the next succeeding taxable year. For the small business investment and jobs expansion credit, this election must be made on the income tax return filed for the taxable year in which the property was placed in service or use.

Has taxpayer elected to begin the ten (10) year period with the next succeeding taxable year? ___ Yes ___ No

PART III	
Section 1. COMPUTATION OF SMALL BUSINESS INVESTMENT AND JOBS EXPANSION TAX CREDIT (Quantifiable)	
1. Total qualified investment (From Part I, Section 4, line d).	_____
2. New jobs percentage (See Information below).	_____
3. Total allowable credit (line 1 x line 2).	_____
4. Taxable year percentage.	.10
5. Annual credit allowance (line 3 x line 4).	_____

Section 2.	
CALCULATION OF SMALL BUSINESS INVESTMENT AND JOBS EXPANSION TAX CREDIT (Non-quantifiable)	
1. Total qualified investment (From Part I, Section 5, line (d), column (3)).	_____
2. New jobs percentage (See Information below).	_____
3. Total allowable credit (line 1 x line 2).	_____
4. Taxable year percentage.	.10
5. Annual credit allowance (line 3 x line 4).	_____
6. Annual credit allowance for such qualified investments prior year(s).	_____
7. Credit allowance this taxable year (line 5 plus line 6).	_____

Annual new jobs percentage: If at least ten (10) new jobs are created and filled during the taxable year in which the qualified investment is placed in service or use, the applicable percentage is thirty percent (30%). Add to this percentage, 1/2 of 1% for each additional new job over ten (10), but less than or equal to fifty (50) jobs.

The new job percentage is redetermined for each of the remaining nine (9) years of the ten (10) year credit period. The annual percentage is based on the average number of new employees, in new jobs created as a direct result of the qualified investment, during each of the taxable years.

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PART V - REBATE

Section 1. Determination of Maximum Rebate Allowable

	Total West Virginia Liability Column 1	Liability Eligible For Rebate Column 2	X Column 3	Maximum Rebate Amount Column 4
(a) Ad valorem property tax paid on property attributable to the qualified investment			.80	
(b) Unemployment Compensation Tax paid			.80	
(c) Workers' Compensation Premium paid			.20	
(d) TOTAL Maximum Rebate Allowable Current Year				

Section 2. Rebate to be applied in current tax year

- (a) Annual credit allowance available Part VII, Section 1, line (a)(1) or line (b) (4).
- (b) Amount of credit applied Part IV line (g) Column (5).
- (c) Amount of credit remaining line (a) less line (b).
- (d) Maximum rebate allowable current year Part V, Section 1, line (d).
- (e) Rebate available current year Lesser of line (c) or line (d).
- (f) Rebate from prior years Part VII, Section 1, line c (16).
- (g) Total available rebate line (e) plus line (f).
- (h) Amount of applied rebate Part IV, line (g), Column 7.
- (i) Rebate carried forward line (g) less line (h).

NOTE: Unused rebate credit may be carried forward for three additional tax years beyond the ten year period.

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PART VI - FREE-UP CREDIT COMPUTATION SCHEDULE

NOTE: Available **only** to Taxpayers subject to the Minimum Severance Tax on Coal

	Column 1 Prior to June 1, 1993	+	Column 2 On or After June 1, 1993	Column 3 TOTAL
1. Total tons sold				
2. Tax:	line 1 x \$.50 =		line 1 x \$.75 =	
3. WV/SEV401-C Schedule A, line 1				
4. WV/SEV401-C Schedule A, line 2a plus line 2f (11-13C credits plus Annual Exemption)				
5. Net Severance Tax (line 3 minus line 4)				
6. State portion (line 5 above x .93)				
7. NET MINIMUM TAX (line 2, Column 3 minus line 6, if less than zero, enter zero)				
8. Line 2, Column 2 Tax Computation of Tons Sold @ \$.75 divided by 3				
9. AVAILABLE FREE-UP CREDIT (The lesser of lines 7 or 8) Enter this amount on applicable line(s), Column 12, of Tax Credit Computation Schedule				

NOTE: "Free-up Credit" may be used against Business Franchise Tax, Corporation Net Income Tax and Personal Income Tax liabilities. Any unused free-up credit must be forfeited by the taxpayer and **may not** be carried to any other tax year.

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PART VII - RECAP OF ANNUAL CREDIT APPLICATION

Section 1.

- a. Annual Allowance _____
 - (1) First year credit was taken 19 _____
- b. Multiple year Projects (See Instructions)
 - (1) 19____ Allowance _____
 - (2) 19____ Allowance _____
 - (3) 19____ Allowance _____
 - (4) Total _____
- c. Rebate Carried Forward from Prior Years

(1) From 1985 _____	(5) From 1989 _____	(9) From 1993 _____	(13) From 1997 _____
(2) From 1986 _____	(6) From 1990 _____	(10) From 1994 _____	(14) From 1998 _____
(3) From 1987 _____	(7) From 1991 _____	(11) From 1995 _____	(15) From 1999 _____
(4) From 1988 _____	(8) From 1992 _____	(12) From 1996 _____	(16) Total _____
- d. Deferred Credit

(1) From 1993 _____	(5) From 1997 _____
(2) From 1994 _____	(6) From 1998 _____
(3) From 1995 _____	(7) From 1999 _____
(4) From 1996 _____	(8) Total _____

Section 2

- 1. Annual Credit Allowance Available (Current Taxable Year) _____
- 2. Annual Credit Allowance Applied _____

- 3. Rebate Credit Available (Current Taxable Year) _____
- 4. Rebate Credit Carried Forward from Prior Years _____
- 5. Rebate Credit Applied < _____ >
- 6. Rebate Credit Available for Carryforward _____

- 7. Deferred Credit _____
- 8. Deferred Credit Applied (Not available until years 11, 12, and 13) < _____ >
 NOTE: Attach schedule of taxable year(s) and amount(s).

- 9. Free-Up Credit _____
- 10. Free-Up Credit Applied < _____ >

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PART VIII - ADDITIONAL REQUIRED INFORMATION

1. Was there a premature disposition of any qualified investment property, owned or leased by the taxpayer, during the taxable year? _____ Yes _____ No

If the answer is yes, attach a schedule identifying the property; date it was acquired; date of its disposition; its cost; the amount of qualified investment allowed with respect to such property and the reason for the disposition of the property before the end of the 4th, 6th, 8th or 10th year, as appropriate.

2. Was the new or expanded business facility, for which credit was allowed, sold or otherwise conveyed to another person or legal entity during the taxable year? _____ Yes _____ No

(a) If yes, identify the new business, name, mailing address, and identification number, if either is different from that listed on the front of the tax return with which this schedule is filed.

(b) Was this a mere change in form of doing business? _____ Yes _____ No

(c) Was the transfer or sale to a successor? _____ Yes _____ No

Date of transfer or sale: _____

Name of new owner: _____

Mailing address of new owner: _____

Identification number: _____

(d) Is credit being claimed with respect to a certified project? _____ Yes _____ No

3. Has an application for certification of the project been filed with and approved by the West Virginia Tax Commissioner? _____ Yes _____ No

(a) If no, credit is not allowable for a certified project.

(b) If yes, identify the name of each participant in the project; location of the project's primary qualified investment and your share of the project's credit.

Participants' Names	Primary Location of Project	Share of Project's Credit

(c) If yes, was there a premature disposition or cessation of use of the project's qualified investment property during the taxable year? _____ Yes _____ No

If yes, identify the property and the names of the project participant who owned or leased it.

Project's qualified investment property: _____

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ADDITIONAL REQUIRED INFORMATION (CONTINUED)

Owner/Lessee: _____

(d) What is the new jobs percentage being claimed for the project? _____
(See Part III).

(e) Was the threshold level of new jobs, necessary to sustain the project's new job percentage, maintained during the taxable year? ____ Yes ____ No

TAX CREDIT COMPUTATION SCHEDULE

Type of Tax	(1) Liability	(2) Payroll Factor	(3) Tax Attributable To Investment	x	=	(4) Tax Subject To Credit	(5) Amount of Credit Applied	(6) Tax Subject To Rebate (Col. 3 - Col.4)	(7) Amount of Rebate Applied	(8) Col. 5 + Col.7	(9) Deferred Credit (Col. 8 x 20%)	(10) Col. 8 - Col.9	(11) Tax Eligible for Free-up Credit (Col. 3 - Col. 10)	(12) Free-up Credit Applied	(13) Total Credits (Col. 10 + Col. 12)
(a) Business & Occupation Tax						.80									
(b) Severance Tax						.80									
(c) Tele-communication Tax						.80									
(d) Business Franchise Tax						.80									
(e) Corporation Net Income Tax						.80									
(f) Personal Income Tax on Net Income From Business Activity						.80									
(g) Total															

* Credit against Severance Tax may only be claimed if the qualified investment was placed into service or use prior to January 1, 1990 or if the taxpayer qualified under one of the transition rules of W. Va. Code § 11-13C-14 and filed a WV/BCS-SEV on or before July 2, 1990.