

PA SCHEDULE C-F
PA-40 Schedule C-F
and OC (09-03) (I) 2003

OFFICIAL USE ONLY

If you need more space, you may photocopy these schedules or prepare your own schedules in these formats.

Adjusting Taxable Income for Pennsylvania Income Tax Purposes

Name of business owner (if jointly-owned, enter the name shown first on the PA-40) Social Security Number (shown first)
Business Name FEIN, if applicable
Business Address Telephone Number PA Sales Tax License Number, if applicable

General Information. Pennsylvania Personal Income Tax law and the Internal Revenue Code contain many differences that affect the amount of your reportable income. You should complete and submit a PA Schedule C or PA Schedule F using the books and records you maintain for PA PIT purposes. However, you may use this schedule to make the adjustments to your federal schedule that PA law requires. See the Department's instructions.

1. Gross Income from Federal Schedule C or Federal Schedule F.
2. Total Expenses from Federal Schedule C or Federal Schedule F.
3. Net profit (loss) from Federal Schedule C or Federal Schedule F.
Increase your PA taxable income for differences between PA PIT and Federal Income Tax laws.
4. Advance receipts for goods and services that you did not report for federal purposes.
5. Working capital interest and dividend income that you reported on another federal schedule.
6. Gains from sales of business assets that you reported on a federal schedule.
7. Gains from like-kind exchanges that you did not report for federal purposes.
8. Gains on involuntary conversions (IRC Section 1033).
9. Gains from sales of business property where PA basis is different than federal basis.
10. Income taxes you paid that you deducted for federal purposes.
11. Bonus depreciation. PA law does not allow any federal bonus depreciation. See the instructions.
12. Other depreciation expenses deducted for federal purposes that PA does not allow.
13. Income from cancellation of debt that PA treats differently from federal rules.
14. Increases in income resulting from spread associated with IRC Section 481(a) adjustments.
15. Income from obligations of other states and organizations that is exempt for federal purposes, but not exempt for PA purposes.
16. Other increases for PA PIT purposes - itemize:
17. Total Adjusted PA Income. Add Lines 3 through 16.
18. Decreases for PA PIT purposes - itemize.
19. Net PA Taxable Income from the Operation of a Business, Profession, or Farm. Subtract Line 18 from Line 17. Include on Line 4 of your PA-40.

PA-40 Other Credits (09-03) (I) PA SCHEDULE OC 2003

Name of the taxpayer claiming the credit(s) Social Security Number
You must submit the certificate or notification that approved each credit you are claiming.
1. PA Employment Incentive Payments Credit.
2. PA Jobs Creation Tax Credit.
3. PA Research and Development Tax Credit.
4. Total PA Other Credits. Enter this total on Line 23 of your PA-40.