REV-961 CT (05-12)

pennsylvania
DEPARTMENT OF REVENUE

MMDDYYYY

START

TAX YEAR BEGINNING _____

TAX YEAR ENDING _____

CORPORATION NAME _____ REVENUE ID _____

SCHEDULE A-2

1. Beginning Retained Earnings (Must equal retained earnings from Column B, Line 24 of Schedule L on federal Form 1120S) . . . . . _____

2. Net Income per Books from Schedule M-1 or Schedule M-3 of federal Form 1120S . . . . . _____

3. Other Increases (Itemize)

   a. _____

   b. _____

   c. _____ _____

4. Add Lines 1, 2 and 3 . . . . . _____

5. Distributions (other than dividends)

   a. Distributions (other than dividends) reported on Schedule K of federal Form 1120S . . . . . _____

   b. Less Beginning Distributions Payable* . . . . . _____

   c. Plus Ending Distributions Payable* . . . . . _____ _____

6. Dividend distributions reported on Schedule K of federal Form 1120S . . . . . _____

7. Other Decreases (Itemize)

   a. _____

   b. _____

   c. _____ _____

8. Total Lines 5, 6 and 7 . . . . . _____

9. Ending Retained Earnings, Line 4 minus Line 8. (Must equal retained earnings from Column D, Line 24 of Schedule L on federal Form 1120S) . . . . . _____

* To support this adjustment, a schedule of beginning and ending liabilities reporting "Distributions Payable" must be included with federal Form 1120S.

IMPORTANT: Corporations must complete federal Schedules L, M-1 and M-2 regardless of federal requirements. Federal Schedule M-3 may be provided in lieu of federal Schedule M-1. Schedule A-2 is required to be filed by taxpayers filing federal Form 1120S and whose net income per books differs from change in retained earnings plus distributions.

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MMDDYYYY

pennsylvania
DEPARTMENT OF REVENUE

TAX YEAR BEGINNING _____

TAX YEAR ENDING _____

CORPORATION NAME _____ REVENUE ID _____

SCHEDULE A-3
ADJUSTMENTS TO NET INCOME PER BOOKS

(See CT-1 booklet at www.revenue.state.pa.us for requirements to complete this schedule)

PART A

1. Net Income per Books from federal Schedule M-1 or federal Schedule M-3. _____

Additions

2. Dividends from subsidiary corporations not included in Line 1 _____
3. Losses from subsidiary corporations deducted in arriving at Line 1 _____
4. Losses from limited liability companies deducted in arriving at Line 1* _____
5. Distributions from limited liability companies not included in Line 1* _____
6. Other (Itemize)

_____

_____

_____ _____

7. Total Lines 1 to 6 _____

Reductions

8. Income from subsidiary corporations included in Line 1 _____
9. Income from limited liability companies included in Line 1* _____
10. Distributions to materially participating member of limited liability companies** _____
11. Other (Itemize)

_____

_____

_____ _____

12. Total Lines 8 to 11 _____
13. Revised Net Income per Books (Line 7 minus Line 12) _____

* Any taxpayer making these adjustments must provide a copy of federal Schedule K-1, if the investee LLC files federal Form 1065, or a reconciliation of beginning and ending net worth of the investee LLC, if the investee LLC is a disregarded entity.

** This reduction may only be taken by LLCs and business trusts not taxed as corporations for federal income tax purposes. Taxpayers claiming this reduction must complete Part B below.

PART B

Name of Member _____

SSN or EIN of Member _____

How does member qualify as materially participating under IRC Section 469?

Current-Year Distribution _____

Less Current-Year Distribution included in Prior-Year Reduction _____

Plus Current-Year Reduction distributed in subsequent year _____

Current-Year Reduction _____

Name of Member _____

SSN or EIN of Member _____

How does member qualify as materially participating under IRC Section 469?

Current-Year Distribution _____

Less Current-Year Distribution included in Prior-Year Reduction _____

Plus Current-Year Reduction distributed in subsequent year _____

Current-Year Reduction _____

Name of Member _____

SSN or EIN of Member _____

How does member qualify as materially participating under IRC Section 469?

Current-Year Distribution _____

Less Current-Year Distribution included in Prior-Year Reduction _____

Plus Current-Year Reduction distributed in subsequent year _____

Current-Year Reduction _____

Total Reduction from Supplemental Schedule (Attach additional schedule(s) if necessary.) . . . . . _____

Total Reduction for Distributions to Materially Participating Members (Carry to Part A, Line 10.) . . . . . _____

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