

New Hampshire BET and BPT Proprietorship Test Case 1 - 2018

This test case is of a Single Member Limited Liability Company filing as a proprietorship at the federal level. Please see excerpts below from the Modernized e-File Handbook. The taxpayer will be filing Business Enterprise Tax and Business Profits Tax Return for a business enterprise/organization doing business within NH only. The taxpayer utilizes BET credits only, therefore no Form DP-160, Schedule of Credits is required. The amounts reported are carried over from the Federal Form 1040 and supporting schedules (not included in this test scenario). The tax due is \$2,635 prior to application of payments in the amount of \$2,400 resulting in a balance due of \$235.

Federal Forms: Not included

New Hampshire Form(s): BT-SUMMARY, BET, and NH-1040

Taxpayer:

CBA PLUMBING LLC

123 MAIN ST

UNIT 1

HANOVER, NH 03755-1234

SSN: TAXPAYER: 12-3456789

Filing Status/Entity Type: PROPRIETORSHIP

Other: Balance due \$235 – electronic funds withdrawal available via ACH Debit.

Modernized e-File Handbook

Special Instructions for Single Member Limited Liability Companies (SMLLC) Filing Business Enterprise Tax and Business Profits Tax as Proprietorships

Pursuant to RSA 77-A:1, I every business organization must file as a separate entity form that of its owner/member, even in cases where the Federal filing of the SMLLC reports its items of income and expense on the return of the owner. In addition to filing as an entity separate from its owner/member, the SMLLC must file its NH returns using a unique identification number not shared or used by any other taxpayer. This will not be the members Social Security Number (SSN), but rather a Federal Employer Identification Number (FEIN) or an assigned Department Identification Number (DIN). SMLLCs filing as proprietorships will file under the manifest type of a partnership in accordance with Section 7.0 (see Business Rule NHBTO-014) and Form NH-1040 must be present. In addition SMLLCs using a DIN will

need to provide a FEIN or SSN for processing purposes only. Individuals (not SMLLCs) filing as proprietorships with an SSN will file under the manifest type of an individual in accordance with Section 7.0 (see Business Rule NHBTO-014) and Form NH-1040 must be present.

Expected values for the State Submission Manifest

<u>Form</u>	<u>Tax Type/Category</u>	<u>Submission Type</u>	<u>Tax Year</u>
BT-SUMMARY	Proprietorship (Individual)	FormBTSUMIND	2018
BT-SUMMARY	Proprietorship (SMLLC)	FormBTSUMPART	2018

DO NOT STAPLE



New Hampshire Department of Revenue Administration

2018 BT-SUMMARY



BUSINESS TAX RETURN SUMMARY

STEP 1 - PRINT OR TYPE

For the CALENDAR year 2018 or other taxable period beginning: MMDDYYYY and ending: MMDDYYYY

Check box if there has been a name change since last filing. List former name.

Empty box for former name

Proprietorship Last Name

Proprietorship Last Name input field

First Name, MI, Social Security Number input fields

Spouse's Last Name (If property jointly owned) input field

Spouse's First Name, MI, Social Security Number input fields

If issued a DIN, DO NOT enter SSN or FEIN

Corporate, Partnership, Estate, Trust, Non-Profit or LLC Name

CBA PLUMBING LLC

Taxpayer Identification Number input field

Principal Business Activity Code (Federal) input field

Number & Street Address input field: 123 MAIN ST

Address (continued) input field: UNIT 1

City / Town, State, Zip Code + 4 input fields: HANOVER, NH, 03755-1234

STEP 2 - Return Type and Federal Information

If "yes" to the first two questions you must complete this BT-SUMMARY or your return will be considered incomplete and may be subject to penalties.

Are you required to file a BET Return... Are you required to file a BPT Return... Do you file a Form 990/990T? Do you file a Federal Form 8023, Federal Form 8883 and/or have checked box 12b on Schedule B of Federal Form 1065?

OR 2 - CORPORATION, 2 - COMBINED GROUP, 3 - PARTNERSHIP, 5 - NON-PROFIT, 1 - PROPRIETORSHIP, 4 - FIDUCIARY, AMENDED RETURN, FINAL RETURN

Check here if the IRS has made any agreed or partially agreed to adjustment(s) for any federal income tax return, which adjustment(s) has not been previously reported to New Hampshire. Do not use this form to report an IRS adjustment. Enter Years Covered by IRS (MMYYYYMMYYYY)

Check Appropriate Box: Payment Required, Refund Request, Credit Next Year's Tax Liability, No Payment Required



BUSINESS TAX RETURN SUMMARY - Continued

STEP 3 - Complete the BET and / or BPT return(s) and then complete the BT-Summary and attach return(s)

STEP 4 - Calculate Your Balance Due or Overpayment

Round to the nearest whole dollar

1 (a) Business Enterprise Tax Net of Statutory Credits	1(a)		4	8	0	
(b) Business Profits Tax Net of Statutory Credits	1(b)		2	1	5	5
(c) Subtotal of Business Tax Due (Line 1(b) plus Line 1(a))	1(c)					2 6 3 5
2 PAYMENTS						
(a) Tax paid with application for extension	2(a)		2	4	0	0
(b) Total of taxable period's estimated tax payments	2(b)					
(c) Credit carryover from prior tax period	2(c)					
(d) Tax paid with original return (Amended returns only)	2(d)					
(e) Total of Lines 2(a) through 2(d)	2(e)					2 4 0 0
3 TAX DUE: (Line 1(c) minus Line 2(e))	3					2 3 5
4 ADDITIONS TO TAX						
(a) Interest (See instructions)	4(a)					
(b) Failure to Pay (See instructions)	4(b)					
(c) Failure to File (See instructions)	4(c)					
(d) Underpayment of Estimated Tax (See instructions)	4(d)					
(e) Total of Lines 4(a) through 4(d)	4(e)					
5 (a) Subtotal of Amount Due (Line 3 plus Line 4(e))	5(a)					2 3 5
(b) Return Payment Made Electronically	5(b)					
(c) BALANCE DUE: Line 5(a) minus 5(b). Make your payment on-line at www.revenue.nh.gov or make check payable to: STATE OF NEW HAMPSHIRE PAY THIS AMOUNT	5(c)					2 3 5
6 OVERPAYMENT: If balance due is less than zero, enter on Line 6	6					0
7 Apply overpayment amount on Line 6 to:						
(a) Credit - Next Year's Tax Liability	DO NOT PAY	7(a)				
(b) Refund	DO NOT PAY	7(b)				

STEP 5

THIS RETURN MUST BE ACCOMPANIED BY COMPLETE AND LEGIBLE COPIES OF THE APPROPRIATE FEDERAL FORMS AND SCHEDULES



BUSINESS TAX RETURN SUMMARY - Continued

Under penalties of perjury, I declare that I have examined this BT-Summary and the attached returns, and to the best of my belief they are true, correct and complete. If prepared by a person other than the taxpayer, this declaration is based on all information of which the preparer has knowledge. If a combined group, I also certify that all affiliated companies are included in the appropriate group described in this return.

POA: By checking this box and signing below, you authorize us to discuss this return with the preparer listed below.

TAXPAYER'S SIGNATURE & INFORMATION

Signature (in ink)

MDDYYYY

0	4	1	1	2	0	1	9
---	---	---	---	---	---	---	---

Signature (in ink)

MDDYYYY

--	--	--	--	--	--	--	--

Print Signatory Name & Title

Email Address

Phone Number

6	0	3	2	3	0	5	0	0	0
---	---	---	---	---	---	---	---	---	---

Check this box if you are filing as a surviving spouse

PAID PREPARER'S SIGNATURE & INFORMATION

Signature of Preparer

MDDYYYY

0	4	1	1	2	0	1	9
---	---	---	---	---	---	---	---

Printed Name of Preparer

Email Address

Phone Number

6	0	3	2	3	0	5	0	8	7
---	---	---	---	---	---	---	---	---	---

Preparer Identification Number

P	1	1	1	1	1	1	1	2
---	---	---	---	---	---	---	---	---

Preparer's Address

Address (continued)

City / Town

State

Zip Code + 4 (or Canadian Postal Code)

0	3	3	0	1			
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MAIL TO: NH DRA
PO BOX 637
CONCORD NH 03302-0637

Make Check Payable to:
STATE OF NEW HAMPSHIRE



BUSINESS ENTERPRISE TAX RETURN

Taxpayer Name

CBA PLUMBING LLC

Taxpayer Identification #

1 2 3 4 5 6 7 8 9

For the CALENDAR year **2018**
or other taxable period beginning:

MMDDYYYY

0 1 0 1 2 0 1 8

and ending:

MMDDYYYY

1 2 3 1 2 0 1 8

You are required to file this return if the gross business receipts were greater than **\$208,000** or the enterprise value tax base is greater than **\$104,000**.

Check here if required to file Form BET-80

Round to the nearest whole dollar

Total Gross Business Receipts for this business organization

3 0 0 0 0 0

1. Dividends Paid

1

2. Compensation and Wages Paid or Accrued

2

7 1 1 0 0

3. Interest Paid or Accrued

3

4. Taxable Enterprise Value Tax Base (Sum of Lines 1, 2, and 3)

4

7 1 1 0 0

5. New Hampshire Business Enterprise Tax (BET) (Line 4 multiplied by .00675) before credits

5

4 8 0

6. Enter credits against BET. Use DP-160 to determine credit against BET

6

7. Enter Tax Due (Line 5 minus 6). If negative, enter Zero. Report on BT-SUMMARY Line 1(a)

TAX DUE 7

4 8 0

BET CREDIT WORKSHEET

1. Business Profits Tax (BPT) from BPT Return, Line 18 NH-1120-WE, Line 10 all other forms.

1

2 6 3 5

2. Sum the amounts from Lines 3 through 8, Column B plus other credits applied from Form DP-160 part B, not to exceed the amount on Line 1. Include the result on the BPT return, Line 19(a) NH-1120-WE or Line 11(a) all other forms. If other credits are applied, include result on BPT return, Line 19(b) NH-1120-WE, Line 11(b) all other forms.

4 8 0

Use carry forward amounts in the following order for this taxable period

A
Apply Credits Here

B
Sum of Credit to BPT

C
Excess Credits

3. BET tax paid amount from Line 7 BET Return plus Line 4 of DP-160, Part A.

4 8 0

4 8 0

4. Carry over BET from fifth prior taxable period

5. Carry over BET from fourth prior taxable period

6. Carry over BET from third prior taxable period

7. Carry over BET from second prior taxable period

8. Carry over BET from first prior taxable period



BUSINESS PROFITS TAX RETURN

USE FORM DP-87 TO REPORT IRS ADJUSTMENTS

Proprietor's Name / Business Organization Name

CBA PLUMBING LLC

Taxpayer Identification #

1 2 3 4 5 6 7 8 9

For the CALENDAR year **2018**
or other taxable period beginning:

MMDDYYYY

0 1 0 1 2 0 1 8

MMDDYYYY

and ending: 1 2 3 1 2 0 1 8

1 GROSS BUSINESS PROFITS Each business organization must file a separate return.		Round to the nearest whole dollar			
1(a)	Net profit or loss reported on proprietor Federal Schedule C, Line 31	1(a)			1 1 6 6 6 7
1(b)	Net rental profit or loss reported on Federal Schedule E, Line 21	1(b)			- 1 7 6 4 7
1(c)	Net farm rental profit or loss reported on Federal Form 4835, Line 32	1(c)			
1(d)	Net farm profit or loss reported on Federal Schedule F, Line 34	1(d)			
1(e)	Net gain or loss from the sale of business assets reported on Federal Form 4797, Lines 2(g), 3, 5, 10(g), 14, 16 and 30	1(e)			
1(f)	Net gain or loss from sale of investment assets used in business activity reported on Federal Schedule D, Lines 1(h), 2(h), 3(h), 8(h), 9(h) and 10(h)	1(f)			
1(g)	Installment sale gains from the sale of business assets recognized during the period on Federal Form 6252, Line 24	1(g)			
1(h)	Other net business income (attach schedule) attributable to this business organization as adjusted accordingly from Federal Form 1040, Schedule B	1(h)			
1(i)	Other business income attributable to this business organization as adjusted accordingly from Federal Form 1040, Line 21	1(i)			
1(j)	Subtotal Lines 1(a) through 1(i)	1(j)			9 9 0 2 0
2 INCREASE or DECREASE TO GROSS BUSINESS PROFITS TO RECONCILE WITH IRC PURSUANT TO RSA 77-A:1, XX					
2(a)	Add amount of IRC §179 expense taken on federal return in excess of the amount permitted pursuant to RSA 77-A:3-b, including carryover amounts deducted in this taxable period	2(a)			
2(b)	Add the amount of bonus depreciation taken on the federal return for assets placed in service this period	2(b)			
2(c)	Add any other deductions taken on the federal return that need to be eliminated or adjusted pursuant to RSA 77-A:1, XX and 77-A:3-b, III <input type="checkbox"/> Check here and attach Schedule IV	2(c)			
2(d)	Deduct regular depreciation related to IRC §179 and bonus depreciation not allowed for this taxable period or for prior taxable periods	2(d)			
2(e)	Deduct any other items included on the federal return that need to be eliminated or adjusted pursuant to RSA 77-A:1, XX <input type="checkbox"/> Check here and attach Schedule IV	2(e)			
2(f)	Increase or Decrease the net gain or loss on the sale of assets used in the business that have a different state basis from the tax basis reported on the federal return	2(f)			
2(g)	Net Lines 2(a) through 2(f)	2(g)			
3	Subtotal Line 1(j) adjusted by Line 2(g)	3			9 9 0 2 0
4	Separate entity items of income or expense (attach schedule)	4			
5	Gross Business Profits (combine Line 3 and Line 4)	5			9 9 0 2 0



BUSINESS PROFITS TAX RETURN ADJUSTMENTS TO GROSS BUSINESS PROFITS

Proprietor's Name / Business Organization Name

CBA PLUMBING LLC

Taxpayer Identification #

1 2 3 4 5 6 7 8 9

For the CALENDAR year **2018**
or other taxable period beginning:

MMDDYYYY

0 1 0 1 2 0 1 8

and ending:

MMDDYYYY

1 2 3 1 2 0 1 8

NH-1040 continued

6 ADDITIONS AND DEDUCTIONS (RSA 77-A:4)

Round to the nearest whole dollar

6(a) Deduct interest and dividends subject to tax under RSA 77 (RSA 77-A:4, I) 6(a)

6(b) Deduct interest on direct US Obligations not subject to tax under RSA 77 (RSA 77-A:4, II) 6(b)

6(c) Deduct compensation deduction for personal services (RSA 77-A:4, III) 6(c) 6 6 6 6 7

6(d) Add income taxes or franchise taxes measured by income (Attach schedule of taxes by state) (RSA 77-A:4, VII) 6(d) 1 0 0 0

6(e) Deduct wage adjustment required by IRC §280C (RSA 77-A:4, IX) 6(e)

6(f) Add expenses related to federal constitutionally exempt income (RSA 77-A:4, X) 6(f)

6(g) Deduct research contribution (attach computation) (RSA 77-A:4, XII) 6(g)

6(h) Deduct New Hampshire Net Operating Loss Deduction (NOLD) (attach Form DP-132) (RSA 77-A:4, XIII):

NOLD available 6(h) - A

Less NOLD used this tax period 6(h)

NOLD to be carried forward 6(h) - B

6(i) Adjustments to gross business profits required due to the increase in the basis of assets resulting from the sale or exchange of an interest in the business organization (RSA 77-A:4, XIV)

Add the amount of the increase in the basis of assets federally, due to the sale or exchange of interest in the business organization 6(i) - A

Check yes if an election is being made to recognize the basis increase for any sale or exchange reported above Yes

Multiple Transactions (schedule attached) Yes

If not making an election, deduct the basis increase associated with the sale or exchange(s). If making an election, enter zero. If reporting multiple transactions, please attach a schedule reporting the details for each transaction. 6(i) - B

Add the amount of depreciation/amortization on the federal return attributable to an increase in the basis of assets not recognized for NH purposes 6(i) - C

Upon the sale of assets, adjust the net gain or loss attributable to an increase in the basis of assets that was not recognized for NH purposes 6(i) - D

Net Lines 6(i) - A through 6(i) - D 6(i)

