



TENNESSEE DEPARTMENT OF REVENUE
Franchise and Excise Tax
Family-Owned Noncorporate Entity
Disclosure of Activity

Entity Name _____	Exempt Account # _____
Address _____	Tax Year <u>2007</u>
City _____ State _____	Zip Code _____

Organizational Structure

Member/Partner Name	Ownership Percentage	Relationship
1.		
2.		
3.		
4.		
5.		

Attach additional schedules if necessary. Include the entity name and exempt account number on any attachment.

Passive Investment - Industrial & Commercial* Real Estate Rental

Description and Address of Property	Name of Lessee(s) <small>(Check box if affiliated with or related to the exempt entity)</small>	Total Appraised Value <small>(based on property tax records)</small>	Gross Receipts
Example: Duplex, 800 State St., Anywhere, TN	<input type="checkbox"/> Various unrelated tenants	\$75,000	\$15,000
Example: Retail Store, 123 Maple St., Anywhere, TN	<input checked="" type="checkbox"/> John Smith, partner in exempt entity	\$500,000	\$45,000
	<input type="checkbox"/>		
	<input type="checkbox"/>		
	<input type="checkbox"/>		

Attach additional schedules if necessary. Include the entity name and exempt account number on any attachment.

Other Passive Investment Income

Check all that apply

Source of Income	Gross Receipts	Source of Income	Gross Receipts
<input type="checkbox"/> Royalties	_____	<input type="checkbox"/> Gain on sale/exchange of stock	_____
<input type="checkbox"/> Dividends	_____	<input type="checkbox"/> Gain on sale/exchange of securities	_____
<input type="checkbox"/> Interest	_____	<input type="checkbox"/> Rent from residential property*	_____
<input type="checkbox"/> Annuities	_____	<input type="checkbox"/> Rent from farm property*	_____
<input type="checkbox"/> Other _____ <small>(Explain)</small>	_____	<input type="checkbox"/> Rent from tangible personal property	_____

Non-Passive Income

Source of Income	Gross Receipts
Total Non-Passive Income	\$

Attach additional schedules if necessary. Include the entity name and exempt account number on any attachment.

<p>The information provided on this disclosure form is true to the best of my knowledge and belief.</p> <p>Sign: _____ Date: _____</p>	<p>Return completed form to: Tennessee Department of Revenue FONCE Disclosure P.O. Box 190644 Nashville, TN 37219-0644</p>
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*See reverse side for relevant definitions

Tennessee Department of Revenue
Franchise and Excise Tax - Family-Owned Noncorporate Entity
Disclosure of Activity Instructions

Identifying information

1. Enter the entity name and address.
2. Your exempt account number can be found on the cover letter you received with this form. If you do not know your exempt account number, enter your FEIN and write FEIN next to the number.

Example: 62-1234567 FEIN

Organization Structure

In order to qualify as an exempt family-owned noncorporate entity, 95% of the ownership units of the entity must be owned by members of the family. Please identify all members or partners and their respective ownership interest percentage in the entity. You must also give their relationship as defined in Tenn. Code Ann. § 67-4-2008(a)(11)(B)(i).

Attach additional schedules as necessary to disclose all members or partners in the exempt entity. The entity's name and account number/FEIN should be on all attachments.

Passive Investment Income - Industrial and commercial real estate rental

1. Description and address of property - provide a brief description of the property being rented and the street address of such property.
Examples: Duplex, 800 State St., Anywhere, TN
Retail Store, 123 Maple St., Anywhere, TN
2. Name of lessee(s) - Provide the name(s) of the entity or individual who is leasing the property that is generating passive investment income. If you are leasing a building with multiple tenants, such as an apartment building, you may write various tenants in the space provided. If you are leasing to a single lessee or a limited number of lessees, please identify them. Example: Various unrelated tenants
3. Check the box provided if any of the lessees are affiliated with or related to the exempt entity.
Example: John Smith, partner in exempt entity
Jones Properties, LLC, common owners
4. Total Appraised Value - Enter the appraised value used for property tax purposes.
5. Gross receipts - Enter the annual gross receipts received for the rental of the property. Gross receipts are defined as all receipts from whatever sources derived before any deductions.

6. Please attach additional schedules as necessary to disclose all industrial and commercial real estate rental received by the exempt entity for the reporting period. The entity's name and account number/FEIN should be on all attachments.

Other Passive Income

Check the box next to each source of income received and enter the annual gross receipts received from each source.

Non-Passive Income

List the source and amount of non-passive income received during the reporting period. Attach additional schedules as necessary to disclose all non-passive income. The entity's name and account number/FEIN should be on all attachments.

Sign and Mail

Please sign and date the Disclosure of Activity form attesting to accuracy of the information provided. The form should be mailed to:

Tennessee Department of Revenue
FONCE Disclosure
P.O. Box 190644
Nashville, TN 37219-0644

Relevant Definitions

"Industrial and commercial property" includes all property of every kind used, directly or indirectly, or held for use, for any commercial, mining, industrial, manufacturing, trade, professional, club whether public or private, nonexempt lodge, business, or similar purpose, whether conducted for profit or not. All real property that is used, or held for use, for dwelling purposes that contains two (2) or more rental units is hereby defined and shall be classified as industrial and commercial property.

"Farm property" includes all real property that is used, or held for use, in agriculture, including, but not limited to, growing crops, pastures, orchards, nurseries, plants, trees, timber, raising livestock or poultry, or the production of raw dairy products.

"Residential property" includes all real property that is used, or held for use, for dwelling purposes and that contains not more than one (1) rental unit. All real property that is used, or held for use, for dwelling purposes, but that contains two (2) or more rental units, is defined and shall be classified as "industrial and commercial property".

The completed form should be mailed to: Tennessee Department of Revenue, FONCE Disclosure, P. O. Box 190644, Nashville, TN 37219-0644. If you have questions or need assistance, you can call the Department at (615) 253-0700. Callers within Tennessee but outside the Nashville calling area call (800) 397-8395. You may also e-mail the department at TN.Revenue@state.tn.us or browse our web site at www.Tennessee.gov/revenue.