

## **Bottler's Tax**

### **Calculation of Credit for F&E Tax Paid**

- 1) Divide the taxpayer's total Tennessee taxable soft drink sales by the total Tennessee gross receipts.
- 2) Multiply the amount of franchise tax actually paid from the F&E tax return, Schedule A, Line 3, by the decimal number calculated in step one. This is the amount of franchise tax credit available. This amount should be entered on Line 6 of the Gross Receipts Tax Return.
- 3) Multiply the amount of excise tax actually paid from the F&E tax return, Schedule B, Line 7, by the decimal number calculated in step one. This is the amount of excise tax credit available. This amount should be entered on Line 7 of the Gross Receipts Tax Return.

**Note:** *The total amount of credit may not exceed 78.95% of the total bottler's tax liability.*