

FT-3 - Proration of Franchise Tax on All Short Period Returns

This article is for informational purposes only.

Proration of the franchise tax to cover the proportionate part of the year covered by the return is allowed on all short period returns ending on or after May 13, 2013, but excludes any return based on a 52 to 53 week year. On any return where the franchise tax is prorated, annualization of rent paid is required when computing the minimum franchise tax measure on Schedule G. These computations can be made on the [Franchise Tax Short Period Return Worksheets](#). The franchise tax cannot be prorated below the \$100 minimum. The excise tax may never be prorated.