



## **Instructions: Schedule G Minimum Property Measure Election**

Taxpayers who choose to compute the franchise tax using the minimum tax base in Tenn. Code Ann. § 67-4-2108 as that section existed before the enactment of Public Chapter 950 (2024) must complete this election form. This is an annual election. An election form is required for each tax year the taxpayer makes the election.

Public Chapter 950 (2024) provides taxpayers with the option to calculate franchise tax for tax years ending on or after January 1, 2024, based on the minimum property measure (former Tenn. Code Ann. § 67-4-2108). If a taxpayer's net worth tax base under Tenn. Code Ann. §§ 67-4-2106 and -2107 for a given tax period results in a lower tax base than the minimum property measure tax base computed for the same tax period under Tenn Code Ann. § 67-4-2108 (as that section existed prior to May 10, 2024, and as it applied to tax periods ending on or before December 31, 2023), then the taxpayer may elect to use the minimum property measure tax base in Tenn. Code Ann. § 67-4-2108 to compute its franchise tax for the tax period; provided, however, the election must result in a higher tax levied for the tax period, and the taxpayer waives any claim that the minimum tax base under Tenn. Code Ann. § 67-4-2108 is unconstitutional by failing the internal consistency test.

To qualify for this election, taxpayers must be registered for franchise and excise tax and file this form annually for each tax year the taxpayer makes the election.

Line 1-3: Enter taxpayer information.

Line 4: Enter the beginning and ending dates of the tax period to which the election applies.

Waiver: The taxpayer must also complete this section and knowingly waive any claim that the minimum property measure tax base under Tenn. Code Ann. § 67-4-2108 is unconstitutional by failing the internal consistency test.