



TENNESSEE DEPARTMENT OF REVENUE
Franchise Tax Short Period Return Worksheets

Do not file with return. Keep for your records.

Taxable Year	Taxpayer Name	Account No./FEIN
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Worksheet 1 - Annualize Rent

- 1) Enter the amount of rent paid in accordance with generally accepted accounting principles (GAAP) for the tax period in the appropriate category.
- 2) Multiply column (a) by column (b), then divide by column (c) and enter the result in column (d).
- 3) Enter the annualized rent on the applicable line in Schedule G.

Description	a. Rent Paid	b. Days in Average Year	c. Days in Tax Period	d. Annualized Rent
Real property		x 365.25	÷	=
Machinery and equipment used in manufacturing and processing		x 365.25	÷	=
Furniture, office machinery and equipment		x 365.25	÷	=
Delivery and mobile equipment		x 365.25	÷	=

Worksheet 2 - Prorate Franchise Tax

- 1) Enter the full year's franchise tax amount computed from FAE 170 or FAE 174 on the larger of Schedule A, Line 1 or 2.
- 2) Multiply column (a) by column (b), then divide by column (c) and enter the result in column (d).
- 3) Carry the prorated tax to Schedule A, Line 3.

Description	a. Full Year Franchise Tax	b. Days in Tax Period	c. Days in Average Year	d. Prorated Franchise Tax
Franchise tax for a full year		x	÷ 365.25	=