



TENNESSEE DEPARTMENT OF REVENUE
Production Credit Association Special Privilege Tax Return

RV-R0006301 (7/19)

FAE
175

Tax Year Beginning		Account Number		Check if applicable: Amended return <input type="checkbox"/>
Tax Year Ending		FEIN		
Legal Name				Remit amount on Line 28 to: Tennessee Department of Revenue Andrew Jackson State Office Building, 500 Deaderick Street, Nashville, TN 37242
Mailing Address				
City				
State		ZIP Code		

Schedule A - Computation of Net Receipts

Round to the nearest dollar

Gross Receipts:

- 1. Interest on loans(1) _____
- 2. Loan service fees(2) _____
- 3. Interest on securities(3) _____
- 4. Compensation or fees for services performed(4) _____
- 5. Capital gains from sales of real and personal property (attach schedule)(5) _____
- 6. Other receipts (attach schedule)(6) _____
- 7. Total gross receipts (add Lines 1 through 6).....(7) _____

Expenses:

- 8. Operating expenses (other than set forth below) (attach schedule).....(8) _____
- 9. Bad debts (from Schedule C)(9) _____
- 10. Interest paid or accrued(10) _____
- 11. Legal expenses, recording and abstract fees(11) _____
- 12. Depreciation on capital assets (attach schedule).....(12) _____
- 13. Federal, county, and city taxes paid or accrued(13) _____
- 14. Operating expenses on acquired property.....(14) _____
- 15. Capital losses (attach schedule)(15) _____
- 16. Patronage refunds(16) _____
- 17. Other ordinary and necessary expenses (attach schedule).....(17) _____
- 18. Total expenses (add Lines 8 through 17)(18) _____
- 19. Net receipts (subtract Line 18 from Line 7; transfer to Line 20).....(19) _____

Schedule B - Computation of Tax Due

- 20. Net receipts (from Schedule A, Line 19)(20) _____
- 21. Non-taxable income (attach schedule).....(21) _____
- 22. Net amount of taxes paid on tangible assets (attach schedule)(22) _____
- 23. Tax base (subtract Lines 21 and 22 from Line 20)(23) _____
- 24. Privilege tax due (multiply Line 23 by 3.75%)(24) _____
- 25. Extension payment and/or credit memo balance.....(25) _____
- 26. Penalty (see instructions)(26) _____
- 27. Interest (see instructions).....(27) _____
- 28. Total taxes due (add Lines 24, 26, and 27; subtract Line 25).....(28) _____

If overpayment reported on Line 28, complete a and/or b:

- a. Credit to next year's tax \$ _____
- b. Refund \$ _____

Schedule C - Computation of Bad Debt Deduction

Taxpayer may use Method A or Method B to compute its bad debt expenses. This amount should be included on Schedule A, Line 9.

Method A:

1. Actual bad debts charged off (attach schedule)..... _____

Method B:

1. Bad debt provision shown on federal Form 1120 (attach copy of schedule showing computation using reserve method)..... _____

Note, if Method B is used, the bad debt provision cannot exceed .5% of the outstanding loans, as shown below, and the bad debt reserve cannot exceed 3.5% of the outstanding loans, as shown below.

Amount of outstanding loans at end of fiscal year _____

Schedule D - Analysis of Unappropriated Retained Earnings Per Books

1. Balance	_____	5. Distributions: (a) Cash.....	_____
2. Net receipts (Schedule A, Line 19) .	_____	(b) Stock.....	_____
3. Other increases (itemize).....	_____	(c) Property.....	_____
.....	_____	_____
.....	_____	_____
.....	_____	6. Other decreases (itemize)	_____
.....	_____	_____
.....	_____	_____
.....	_____	_____
.....	_____	7. Total (add Lines 5 and 6)	_____
.....	_____	8. Balance at end of year	_____
4. Total (add Lines 1 through 3)	_____		

Schedule E - Reconciliation of Income (Loss) Per Books with Income Per Return

1. Net income per books.....	_____	5. Income reported on books not shown on this return (itemize).....	_____
2. Income reported in this return not shown on books (itemize).....	_____	_____
.....	_____	_____
.....	_____	_____
3. Expenses reported on books not deducted on this return (itemize)..	_____	6. Deductions in this tax return not shown on books (itemize)	_____
.....	_____	_____
.....	_____	_____
.....	_____	_____
.....	_____	7. Total (add Lines 5 and 6)	_____
.....	_____	8. Income per return (subtract Line 7 from Line 4; should be the same as Schedule A, Line 19)	_____
4. Total (add Lines 1 through 3)	_____		

List branch offices in Tennessee: (if additional space is needed, attach schedule.)

Power of Attorney - Check YES if this taxpayer's signature certifies that this tax preparer has the authority to execute this form on behalf of the taxpayer and is authorized to receive and inspect confidential tax information and to perform any and all acts relating to respective tax matters. <input type="checkbox"/> YES	Under penalties of perjury, I declare that I have examined this report, and to the best of my knowledge and belief, it is true, correct, and complete.			
	Taxpayer's Signature _____	Date _____	Title _____	
	Tax Preparer's Signature _____	Preparer's PTIN _____	Date _____	Telephone _____
	Preparer's Address _____	City _____	State _____	ZIP Code _____
	Preparer's Email Address _____			

FOR OFFICE USE ONLY



Instructions: Production Credit Association Special Privilege Tax Return

General Information

Tenn. Code Ann. § 56-4-403 imposes an annual special privilege tax on production credit associations of 3.75% of the association's net receipts. The special privilege tax is paid in lieu of any other privilege tax imposed on production credit associations, except ad valorem taxes on the association's real and personal property and sales and use tax on the association's sales. Production credit association, for purposes of this tax, is defined in Tenn. Code Ann. § 56-4-401.

At the bottom of this return, you should list any branch offices that you have in Tennessee. If more space is needed, attach a schedule.

This return and the amount calculated on Line 28 are due on March 1. Taxpayers may make their tax payments online by visiting the Department's website at www.tn.gov/revenue. However, this form must be mailed to:

Tennessee Department of Revenue
Attn: F&E Unit
P.O. Box 190644
Nashville, TN 37219-0644

Schedule A – Computation of Net Receipts

- Line 1: Enter any interest earned on loans.
- Line 2: Enter loan service fees.
- Line 3: Enter any interest earned on securities.
- Line 4: Enter any compensation or fees received for services performed.
- Line 5: Enter the amount of capital gains from sales of real and personal property. Attach a schedule of the capital gains.
- Line 6: Enter any other receipts. Attach a schedule of the additional receipts.
- Line 7: Add Lines 1 through 6 for the total gross receipts.
- Line 8: Enter any operating expenses not reported on Lines 9 through 16. Attach a schedule of these expenses.
- Line 9: Enter the amount of bad debts reported in Schedule C.
- Line 10: Enter any interest paid or accrued.
- Line 11: Enter any legal expenses, recording fees, and abstract fees.
- Line 12: Enter the depreciation on capital assets. Attach a schedule of the depreciation.
- Line 13: Enter all federal, county, and city taxes paid or accrued.
- Line 14: Enter any operating expenses on acquired property.
- Line 15: Enter the amount of capital losses. Attach a schedule of the capital losses.
- Line 16: Enter any patronage refunds.
- Line 17: Enter any other ordinary and necessary expenses. Attach a schedule of the additional expenses.
- Line 18: Add Lines 8 through 17 for the total expenses.
- Line 19: Subtract Line 18 from Line 7 for the total net receipts. Enter here and on Schedule B, Line 20.

Schedule B – Computation of Tax Due

- Line 20: Enter the amount from Schedule A, Line 19.
- Line 21: Enter the amount of non-taxable income. Attach a schedule of the non-taxable income.
- Line 22: Enter the net amount of taxes paid on tangible assets. Attach a schedule.
- Line 23: Subtract Lines 21 and 22 from Line 20 for the tax base.
- Line 24: Multiple Line 23 by 3.75% to calculate the special privilege tax.
- Line 25: Enter any extension payment made or credit memo balance.
- Line 26: Penalty is calculated at a rate of 5% for each 30-day period, or portion thereof, that a return is delinquent, up to a maximum of 25% of the delinquent amount. The minimum penalty is \$15 for

the delinquent filing of a return. If your return is delinquent, apply the appropriate penalty rate to the total tax due from Line 24.

Line 27: Interest is due on any amount of tax that is paid after the statutory due date of the return. The interest rate is determined in accordance with Tenn. Code Ann. § 67-1-801. The current interest rate can be found at www.tn.gov/revenue by clicking the Tax Resources tab. If the payment is late, apply the interest rate to the total tax due from Line 24.

Line 28: Add Lines 24, 26, and 27, and subtract Line 25 for the total amount of tax due. If the amount is a negative number (overpayment), complete Line 28(a) and/or Line 28(b).

Line 28(a), (b): If Line 28 is a negative number (overpayment), enter on the appropriate line any portion of that amount you would like to credit to next year's tax and/or receive as a refund.

Schedule C – Computation of Bad Debt Deduction

You should use either Method A or Method B to compute your bad debt expenses. Include the amount computed on Schedule A, Line 9.

Method A: Enter the total amount of actual bad debts charged off. Attach a schedule of the bad debts.

Method B: Enter the bad debt provision from federal Form 1120. Attach a schedule showing the computation using the reserve method. If this method is used, the bad debt provision cannot exceed 0.5% of the outstanding loans, and the bad debt reserve cannot exceed 3.5% of the outstanding loans. Enter the amount of the outstanding loans at the end of the fiscal year.

Schedule D – Analysis of Unappropriated Retained Earnings Per Books

Line 1: Enter the balance from your books.

Line 2: Enter the net receipts from Schedule A, Line 19.

Line 3: Enter any other increases. Itemize the increases on the lines given.

Line 4: Add Lines 1 and 2 and the total from Line 3.

Line 5: Enter the amounts of cash, stock, and property distributions on the appropriate lines.

Line 6: Enter any other decreases. Itemize the decreases on the lines given.

Line 7: Add the totals from Lines 5 and 6.

Line 8: Enter the end-of-year balance from your books.

Schedule E – Reconciliation of Income (Loss) Per Books with Income Per Return

Line 1: Enter the net income from your books.

Line 2: Enter any income that is being reported in this return but is not shown on books. This income should be itemized.

Line 3: Enter any expenses that are reported on your books but are not deducted on this return. These expenses should be itemized.

Line 4: Add Line 1 and the total amounts from Lines 2 and 3.

Line 5: Enter any income that is reported on your books but is not shown on this return. This income should be itemized.

Line 6: Enter any deductions that are included in this return that are not show on your books. These deductions should be itemized.

Line 7: Add the totals from Lines 5 and 6.

Line 8: Subtract Line 7 from Line 4 for the total income for the return. This amount should be the same as the amount from Schedule A, Line 19.