



For additional information, contact the Taxpayer Services Division in one of our Department of Revenue Offices:

<b>Nashville</b>	<b>Chattanooga</b>	<b>Knoxville</b>	<b>Jackson</b>	<b>Memphis</b>	<b>Johnson City</b>
(615) 253-0600	(423) 634-6266	(865) 594-6100	(731) 423-5747	(901) 213-1400	(423) 854-5321
Andrew Jackson Building 500 Deaderick Street Nashville, TN 37242	1301 Riverfront Parkway Suite 203 Chattanooga, TN 37402	7175 Strawberry Plains Pike Suite 209 Knoxville, TN 37901	Suite 340 Lowell Thomas Building 225 MLK Jr. Blvd Jackson, TN 38301.	3150 Appling Road Bartlett, TN 38133	204 High Point Drive Johnson City, TN 37601

Tennessee residents can also call our statewide toll free number at 1-800-342-1003. Out-of-state callers must dial (615) 253-0600.

Detailed instructions, tax guides, and notices are available at our website, [www.TN.gov/revenue](http://www.TN.gov/revenue)

## INSTRUCTIONS

- Line 1. Enter the amount of all sales of taxable soft drinks in Tennessee that the taxpayer bottled/manufactured.
- Line 2. Enter the amount of purchases of taxable soft drinks that the taxpayer purchased from out-of-state suppliers on which the supplier paid the bottlers tax.
- Line 3. Enter the amount of purchases of taxable soft drinks that the taxpayer purchased from out-of-state suppliers on which the taxpayer is paying the bottlers tax.
- Line 4. Add Lines 1 and 3.
- Line 5. Multiply the amount on Line 4 by the soft drink tax shown on your return.
- Lines 6 and 7. A credit is allowed for franchise and excise taxes paid on the same activity that is subject to the bottlers tax. The franchise and excise tax paid must be for the same tax period as the bottlers tax liability. The combined franchise and excise tax credit taken on Lines 6 and 7 cannot exceed the amount reported on Line 5. To calculate the credit:
- Divide the taxpayer's total Tennessee soft drink sales by the taxpayer's total Tennessee gross receipts (including gross sales, taxable dividends, taxable interest, etc.).
  - Multiply the amount of franchise tax liability from the franchise & excise tax return, Schedule A, Line 3, that has been paid by the decimal number calculated in step (a). Enter this amount on Line 6.
  - Multiply the amount of excise tax liability from the franchise & excise tax return, Schedule B, Line 7, that has been paid by the decimal number calculated in step (a). Enter this amount on Line 7.
- Line 8. Add Lines 6 and 7 and subtract that amount from Line 5. If the total of Lines 6 and 7 is greater than the amount from Line 5, enter zero.
- Line 9. Multiply the amount on Line 4 by the litter control rate shown on your return.
- Line 10. Add Lines 8 and 9.
- Line 11. If your account has a credit balance from an overpayment on a prior return, enter the amount on this line.
- Line 12. When the return is late at the time of filing, enter 5% of Line 10 for 1 - 30 days late, 10% for 31-60 days late, and so on until a maximum of 25% of Line 10 is reached for returns that are more than 120 days late. If a credit balance is shown on Line 11 and the return is late at the time of filing, first deduct Line 11 from Line 10 and calculate penalty charges on the net amount after the credit deduction. For example, if Line 10 were \$500 and Line 11 were \$100, the penalty would be calculated on \$400. The minimum penalty is \$15 for returns filed late, even when the return reflects no tax due.
- Line 13. When the return is late at the time of filing, interest is figured at the rate indicated per year on the amount of tax due on Line 10 (or on Line 10 less Line 11 if a credit is reported) from the due date of the return until the late filed return is postmarked.
- Line 14. Add Lines 10, 12, and 13 and subtract Line 11.
- Line 15. Taxpayers who file the return and make the first quarterly payment on or before August 1st have the option of paying the balance on Line 14 in four equal installments. The initial installment amount will be paid with the return and reflected on Line 15. Subsequent installment payments will be due not later than November 1st, February 1st, and May 1st. However, quarterly payments after August 1st shall bear interest on each such payment at the effective rate per annum from August 1st until the date of payment. Anyone electing the installment payment option will receive quarterly installment coupons by separate mailing. If quarterly installment payments are not paid by the due date, penalty will be assessed for late payments at the rate of 5% for each 30 days (or portion thereof) that the installment payment remains unpaid subsequent to the due date, up to a maximum of 25%.
- Line 16. Enter the amount from Line 14, or, if the taxpayer is paying in installments, enter the amount from Line 15.