



**BUSINESS ALLOCATION FORMULA—SCHEDULE D**

	Located everywhere I	Located in Hudson II	Percentage II ÷ I
1. Average net book value of real and tangible personal property .....	\$ .....	\$ .....	
a. Gross annual rentals of real and tangible personal property multiplied by 8 .....			
b. TOTAL (add lines 1 and 1a) .....			%
2. Total wages, salaries, commissions and other compensation of all employees .....			%
3. Gross revenue from sales made or services rendered .....			%
4. Total percentages—add the three percentages computed from lines 1b, 2 and 3 which you entered in the last column (you must compute a percentage for each of lines 1b, 2 and 3) .....			%
5. Average percentage (one third of line 4)—enter here and on Pg. 1, line 10 .....			%

In determining the average percentage (line 5), a factor shall be excluded from the computation only when such factor does not exist anywhere insofar as the taxpayer's business operation is concerned and, in such cases, the sum of the percentages shall be divided by the number of factors actually used.

In the case of a taxpayer authorized by the Income Tax Administrator to use one of the special formulas, attach explanation and use the lines provided below:

- a. Numerator .....
- b. Denominator .....
- b. Percentage (a ÷ b) ..... enter here and on Pg. 1, line 10. Date of Income Tax Administrator approval letter .....

**SCHEDULE E**

Schedule E is used to adjust the income reported on Page 1 on Line 1 to give the effect to the requirements of the Hudson Income Tax Ordinance. The period of time used to compute items for Schedule E must be the same as the time period to report income on Line 1, Schedule E entries are allowed only to the extent directly related to net income as shown on Line 1 of Page 1.

PERIOD: From ..... to .....

COLUMN 1 Add-Items not Deductible	COLUMN 2 Deduct—Items not taxable and Allowable
1. Adjustment to income relating to prior periods (See instructions) .....	1. Interest from governmental obligations .....
2. All expenses (including interest) incurred in connection with derivation of income not subject to Hudson income tax .....	2. Dividends received deduction .....
3. Hudson income tax paid or accrued .....	3. Foreign tax credit .....
4. Other (submit schedule) .....	4. Other (submit schedule) .....
5. Total additions (enter on Pg. 1, line 4) .....	5. Total deductions (enter on Pg. 1, line 6) .....