



Unrelated Business Income Worksheet for IRC 401(a) and 501 Organizations

Print your LA Revenue Account Number here. > _____

Name as shown on CIFT-620	Income Taxable Period Covered
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General Information

Louisiana Revised Statute 47:287.501 provides that an organization described in Internal Revenue Code Sections 401(a) or 501 shall be exempt from income taxation to the extent the organization is exempt from income taxation under federal law, unless the contrary is expressly provided. Accordingly, an exempt organization that has income from an unrelated trade or business and files a Federal Form 990-T with the Internal Revenue Service is subject to file and report its Louisiana sourced unrelated business income to Louisiana. Louisiana Administrative Code 61:I.1140 and Revenue Information Bulletin 09-009 have been published providing guidance whereby these organizations are not exempt from taxation on the Louisiana sourced unrelated business income or income not included under I.R.C. Sections 401(a) or 501, and they are required to file a Form CIFT-620SF or a Form CIFT-620 reporting such income.

This worksheet will serve as a guide in determining the amount of Louisiana sourced unrelated business income that the organization must report and the amount of federal income tax that is allowed as a deduction. The instructions for each line on the worksheet refers to a corresponding line or schedule for Form CIFT-620SF or a Form CIFT-620. When completing this worksheet, include only income items related to the production of unrelated business income. Also note that franchise tax computations on both forms are not required to be completed if these organizations are not subject to the Louisiana Franchise Tax.

Unrelated Business Income			
To determine the amount of unrelated business income that should be reported to Louisiana, complete Lines 1 and 2 below.			
1	Federal net unrelated business income – Print the amount from Federal Form 990-T, Line 30, here and on Schedule P, Line 26.	1	
2	Louisiana net unrelated business income – Complete, Schedule P and Schedule Q, if applicable, to calculate Louisiana net unrelated business income. Print the amount from Schedule P, Line 31, here and on Form CIFT-620SF, Line 1A or Form CIFT-620 Line 1A.	2	
Federal Income Tax Deduction			
To determine the amount of federal income tax that is allowed as a deduction from Louisiana unrelated business income, complete Lines 3 – 5 below.			
3	Federal income tax liability – Print the amount shown on Federal Form 990-T, Line 35c or Line 36, whichever applies.	3	
4	Ratio of Louisiana net unrelated business taxable income to federal net unrelated business income – Divide Line 2 by Line 1. Round to two decimal places.	4	_____ . _____ %
5	Federal income tax deduction – Multiply the amount of the federal income tax liability on Line 3 above by the ratio determined on Line 4. Print the result here and on Form CIFT-620SF, Line 1C, or on Form CIFT-620, Line 1E.	5	
Louisiana Net Taxable Income			
6	Louisiana taxable income – Subtract Line 5 from Line 2. Print the balance here and on Form CIFT-620SF, Line 1D, or Form CIFT-620, Line 1F.	6	
Tax Calculation			
7	Louisiana income tax – Follow the instructions for Schedule E. Print the amount from Schedule E, Line 4 here and on Form CIFT-620SF, Line 2 or Form CIFT-620, Line 2.	7	

After completing Line 7 above, follow the instructions to complete Form CIFT-620SF or Form CIFT-620.

Retain Schedules P and Q when filing Form CIFT-620SF electronically. Attach Schedules P and Q and this worksheet to the completed Form CIFT-620 when filing the return.

