



**SCHEDULE
5071**

MO 860-3060 (09-2009)

Schedule 5071, CORPORATION INVESTMENTS IN/ ADVANCES TO SUBSIDIARIES SCHEDULE

This information is for guidance only and does not state the complete law.

1. Complete and file with each Schedule MO-FT or Form INT-2-1 when claiming a deduction for investments in/advances to subsidiaries (Line 2b).
2. Identify the full name of each subsidiary. The entity must be a corporation. **Limited liability companies and partnerships are not allowable.**
3. Complete the amount of investment in/advances to subsidiaries.
4. Provide the percentage of ownership. The corporation claiming the deduction must own more than fifty percent (50%) of the voting stock of the subsidiary.
5. Assets advanced "upward" from a subsidiary to a parent may be deducted under the same conditions applicable to advances from parent to subsidiary.
6. Cross-company advances may be deducted when all of the following conditions are met:
 - a. The entities involved in the transaction must be connected in an uninterrupted chain of ownership of more than fifty percent (50%) of the voting stock; and
 - b. Both the entity claiming the deduction and the entity receiving the advance must be corporations; and
 - c. All of the entities connecting the corporations involved in the transaction must be corporations; and
 - d. The deduction may only be taken on one corporation's franchise tax schedule.
7. Intercompany receivables deducted on Line 2b may not be included in Schedule MO-FT or Form INT-2-1, Line 3a.