

## **2006 Instructions for Filing Form 500-EL Electric Supplier Minimum Tax**

For taxable years beginning on or after January 1, 2004, electric suppliers are required to pay a minimum tax rather than a corporation income tax for any taxable year their minimum tax liability is greater than their corporation income tax liability. The minimum tax is equal to 1.45% of the electric supplier's gross receipts minus the state's portion of the electric utility consumption tax billed to consumers. For years in which the minimum tax exceeds the corporation income tax, a carry forward credit is computed for use against future corporate income tax when that tax exceeds the minimum tax.

### **Line by Line Instructions:**

#### **Part I Minimum Tax Reported By SCC**

Line 1: Enter the amount of Minimum Tax certified by the State Corporation Commission.

#### **Part II Separate Return Filers - Tax Computation**

Line 2: Enter the adjusted corporation tax from line 11 of Form 500. If line 2 is greater than line 1 on Schedule 500-EL, skip to line 9.

#### **Part III Consolidated or Combined Return Filers - Tax Computation**

Line 3: Enter the amount of adjusted corporation tax from the consolidated or combined Form 500, line 11.

Line 4: Enter the amount from the Electric Supplier's separately computed Form 500, line 11.

Line 5: Enter the lesser of line 3 or line 4. If greater than line 1, Schedule 500-EL, skip to line 9.

#### **Part IV Minimum Tax Computation**

Line 6: Subtract either line 2 or line 5 (whichever applies) from line 1. If greater than zero, continue to line 7 and complete lines 8 and 15-17. If the amount is less than zero, enter zero and skip to line 9.

Line 7: Add lines 6 and 2 (separate filer) or lines 6 and 3 (consolidated or combined filer). Enter this amount on line 11 of Form 500 **replacing** the amount computed on Form 500.

#### **Part V Current Year Tax Credit Carryover Amount**

Line 8: Enter the amount from line 6. This is your minimum tax credit amount available for carryforward.

#### **Part VI Corporation Tax Computation**

Line 9: If the adjusted corporation tax on line 2 or line 5 is greater than line 1, enter the amount that the corporation tax exceeds the minimum tax on line 1.

Line 10: Enter the corporate carryover credit from prior years up to the amount on line 9.

Line 11: Subtract line 10 from line 9.

Line 12: Enter any carryover estimated payments (prior to 1992). Do not exceed the amount on line 11.

Line 13: Subtract line 12 from line 11.

Line 14: Add lines 13 and 1. Enter this amount on line 11 of Form 500 **replacing** the adjusted corporation tax amount.

#### **Part VII Tax Credit Carryover Amount**

Line 15: Enter the corporate tax credit derived from excess minimum tax from line 8.

Line 16: Enter the remaining prior year corporate carryover credits not used on line 10.

Line 17: Add lines 15 and 16. This is the amount of carryover credit for 2007.

Line 18: Enter any prior year estimated payments not used on line 12.