

**2006 VIRGINIA  
FORM 500-EC**

**Modified Net Income Tax  
Return For Electric Cooperatives**



Department of Taxation  
P.O. Box 1500  
Richmond, VA 23218-1500

**Note: If a cooperative does not have nonmember sales of electricity within the Commonwealth for a taxable year, the cooperative is not required to file a return for that taxable year.**

FISCAL year filer or SHORT year filer: ENTER beginning date \_\_\_\_\_, \_\_\_\_\_ and ending date, \_\_\_\_\_, \_\_\_\_\_ and CHECK HERE

<b>Check if —</b> A Change in Address <input type="checkbox"/>  B Amended Return <input type="checkbox"/>  C Final Return (No longer liable for tax) <input type="checkbox"/>	Business Name		Official use only
	Number and street		
	City or town, state and ZIP Code		Federal Employer Identification Number
	Date Incorporated	State or Country of incorporation	Virginia Corporation Account Number

If your tax return is filed on computer generated forms or forms supplied by a tax preparer, place an "X" in the box to the right.

1.	Total Revenue From Electricity Sales in Virginia .....	1.	
2.	Total Revenue From Electricity Sales to Members in Virginia .....	2.	
3.	Revenue From Electricity Sales to Nonmembers in Virginia (Subtract line 2 from line 1) .....	3.	
4.	Nonmember Share of Ordinary and Necessary Expenses (From Page 2, line 22 or line 25) .....	4.	
5.	Modified Net Income (Subtract line 4 from line 3) .....	5.	
6.	Tax (6% of line 5) .....	6.	
7.	Tax Credits (Enter the sum of Lines 100 and 108 from Form 500 CR - see instructions) .....	7.	
8.	Modified Net Income Tax (Line 6 less Line 7). Also, enter on Line 5 of Schedule 500-MT .....	8.	
8a.	Tax Amount (Enter the amount from line 12, Schedule 500-MT) .....	8a.	
9.	Payments: (a) 2006 estimated Virginia tax payments .....	9(a)	
	(b) Extension payment and other payments .....	9(b)	
	<b>Total payments/credits [add lines 9a and 9b] .....</b>	<b>9.</b>	
10.	Tax due (Subtract line 9 from line 8a) .....	10.	
11.	Penalty (See instructions) .....	11.	
12.	Interest (See instructions) .....	12.	
13.	Additional charge (Attach Form 500 C) .....	13.	
14.	Total due (Add lines 10 through 13). Attach form 500 V with payment or if paid by EFT, check this box <input type="checkbox"/> .....	14.	
15.	Overpayment (If line 9 is larger than line 8a, subtract line 8a from 9 and enter overpayment) .....	15.	
16.	Amount of line 15 to be credited to 2007 estimated tax .....	16.	
17.	Amount of to be refunded (Subtract line 16 from line 15) .....	17.	



**Part I**

**Nonmember Ordinary and Necessary Expenses  
Use either Method 1 or Method 2**

**Method 1**

- 18 Expenses Entirely Attributable to Electricity Sales to Nonmembers in Virginia (Attach Schedule) ..... 18 \_\_\_\_\_
- 19 Other Expenses Not Entirely Attributable to Electricity Sales To Either Members or Nonmembers  
in Virginia ..... 19 \_\_\_\_\_
- 20 Nonmember Ratio of Electric Sales:  $\frac{\text{Nonmember Sales}}{\text{Total Sales}}$  ..... 20 \_\_\_\_\_ %
- 21 Amount of Other Expenses Allocated to Electricity Sales To Nonmembers in Virginia  
line 19 times line 20 ..... 21 \_\_\_\_\_
- 22 Nonmember Share of Expenses: line 18 plus line 21. (Enter here and on line 4 ) ..... 22 \_\_\_\_\_

**Method 2**

- 23 Nonmember Ratio of Electric Sales:  $\frac{\text{Nonmember Sales}}{\text{Total Sales}}$  ..... 23 \_\_\_\_\_ %
- 24 Total Expenses Attributed to All Electricity Sales in Virginia ..... 24 \_\_\_\_\_
- 25 Nonmember Share of Expenses: line 23 times line 24. (Enter here and on line 4 ) ..... 25 \_\_\_\_\_

**Mail this return to the Virginia Department of Taxation, P. O. Box 1500, Richmond, Virginia 23218-1500 on or before the fifteenth day of the fourth month following the close of the taxable year. Make checks payable to the Virginia Department of Taxation.**

**DECLARATION**

I, the undersigned president, vice-president, treasurer, assistant treasurer, chief accounting officer, or other officer duly authorized to act, of the cooperative for which this return is made, declare under the penalties provided by law that this return (including any accompanying schedules and statements) has been examined by me and is, to the best of my knowledge and belief, a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the income tax laws of the Commonwealth of Virginia. If prepared by a person other than taxpayer, their declaration is based on all information of which they have any knowledge.

\_\_\_\_\_  
(Date) (Signature of officer) (Title)

\_\_\_\_\_  
(Date) (Individual or firm, signature of preparer) (Address)

Preparer's SSN or FEIN

If this form was computer generated, check this box.  Certified Vendor ID \_\_\_\_\_