

2016 Schedule CIR Instructions

Consolidated Return Income Reconciliation

Schedule CIR, Consolidated Income Reconciliation, reconciles the net income of corporations filing in Massachusetts that are part of a U.S. consolidated return with the consolidated net income reported to the IRS.

Taxpayers must file this schedule if their income is included in a U.S. consolidated return. For corporations that are filing as members of a Massachusetts unitary group, only one Schedule CIR must be filed. It must be filed by the principal reporting corporation.

Taxpayers must identify the parent corporation filing the federal consolidated return (if different than the corporation filing the Massachusetts return) and must also report the number of members participating in the federal consolidated return and the total assets as shown on the consolidated Schedule L.

Taxpayers must list each corporation included in the U.S. consolidated return and its separate company income. The total number of these entries must equal the number of corporations participating in the return as reported in the header. A single entry is also required for the total change to group income from all consolidation adjustments made in reaching the U.S. consolidated return total.

The total of the amounts in column d must match the total income as shown on the U.S. consolidated return of income before the NOL deduction or any special deductions (from U.S. Form 1120, line 28 or equivalent).

Instructions by Column

Column a

Enter the legal name of the entity.

Column b

Enter the Federal Identification number.

Column c

01: U.S. domestic corporation

02: U.S. domestic limited liability company

04: Other domestic entity

11: Foreign (non-U.S.) entity included in the U.S. consolidated return.

98: U.S. consolidation adjustments

99: U.S. eliminations from consolidation

Column d

Enter the current year separate company income before any net operating loss deduction or special deductions (from U.S. Form 1120, line 28 or the equivalent).

Column e

Enter "Y" if a Massachusetts tax return is being filed by this entity.

Enter "N" if a Massachusetts tax return is not being filed by this entity.

Column f

Enter the three-digit numeric code that identifies the type of Massachusetts tax return being filed. Corporations filing both Form 355U and any other return must use the code for Form 355U. If not filing Form 355U, do not complete columns g, h or i.

007: Form 3, Partnership Return

350: Form 355SC, Domestic or Foreign Security Corporation Return

346: Form 355U, Massachusetts Combined Reporting

374: Form 63-29A, Ocean Marine Profits tax return

375: Form 63FI, Financial Institution Excise tax return

386: Form 63-20P, Premium Excise Return for Insurance Companies

387: Form 63-23P, Premium Excise return for Life Insurance Companies

397: Form 355, Massachusetts Business or Manufacturing Corporation Excise Return

997: Other

000: No Massachusetts return is being filed for this tax year

Column g

Enter the amount of a member's income excluded from the combined report from Schedule U-M, line 28, column d.

Column h

Enter the amount of a member's non-unitary income allocated to Massachusetts. From Schedule U-ST, combine lines 12, 17 and 22 to obtain this amount.

Column i

Enter the member's share of combined income apportioned to Massachusetts. From Schedule U-ST, combine lines 11, 16 and 21 to obtain this amount.