

**Schedule C****Allocation of Nonbusiness Income, Loss, and Expense – Use only if you checked Filing Status 2, page 1**

Identify by account name and amount, all items of nonbusiness income, loss and expense removed from apportionable income and those items which are directly allocable to Alabama. **Adjustment(s) must also be made for any proration of expenses under Alabama Income Tax Rule 810-27-1-4-.01**, which states, "Any allowable deduction that is applicable to both business and nonbusiness income of the taxpayer shall be prorated to each class of income in determining income subject to tax as provided..." (See instructions.)

| DIRECTLY ALLOCABLE ITEMS OF<br>NONBUSINESS INCOME OR LOSS  | ALLOCABLE GROSS INCOME / LOSS |                     | RELATED EXPENSE        |                     | NET OF RELATED EXPENSE |                     |
|--|-------------------------------|---------------------|------------------------|---------------------|------------------------|---------------------|
|  | Column A<br>Everywhere        | Column B<br>Alabama | Column C<br>Everywhere | Column D<br>Alabama | Column E<br>Everywhere | Column F<br>Alabama |
| 1a   |                               |                     |                        |                     |                        |                     |
| b  |                               |                     |                        |                     |                        |                     |
| c  |                               |                     |                        |                     |                        |                     |
| d  |                               |                     |                        |                     |                        |                     |
| e  |                               |                     |                        |                     |                        |                     |
| <b>2 NET NONBUSINESS INCOME / LOSS</b><br>Enter Column E total ((income)/loss) on line 5 of page 1. Enter Column F total (income/(loss)) on line 9 of page 1 ..... |                               |                     |                        |                     | Column E               | Column F            |