

# Instructions for Completing 2025 Form 500T Telecommunications Companies Minimum Tax

## General Information

### Corporation Electronic Filing Mandate

Corporations are required to file their annual income tax returns and make payments electronically. Telecommunications companies must also include the Form 500T information with the electronically-filed Virginia Corporation Income Tax Return, Form 500. Waivers will only be granted if the Tax Commissioner finds that this requirement creates an unreasonable burden on the corporation. All waiver requests must be submitted to the Tax Commissioner in writing. Mail waiver requests to: **Virginia Department of Taxation, Waiver Requests, P.O. Box 27423, Richmond, VA 23261** or fax to (804) 367-3015. Visit the Department's website, [www.tax.virginia.gov](http://www.tax.virginia.gov), for information about filing and paying electronically.

### Who is Required to File Form 500T

Every telecommunications company, as defined by statute and certified by the State Corporation Commission, is required to complete Form 500T. It must be enclosed with the company's Form 500, which is due on the 15th day of the 4th month after the close of the taxable year.

Corporations, partnerships, and all other types of telecommunications companies must complete Form 500. Noncorporate telecommunications companies must complete both Form 500 and Form 502. A noncorporate telecommunications company must calculate an income tax liability as if it were a corporation (using a pro forma Form 500 to determine a corporate income tax liability to compare to the minimum tax) and enclose Form 500T with its working papers to show calculations for the Virginia corporation income tax. Form 500T, the working papers, and Form 500 must all be filed with the return when it is due.

Partnerships and all other noncorporate telecommunications companies must write along the top margin of Form 500 "RETURN BY NONCORPORATE TELECOMMUNICATIONS COMPANY."

Noncorporate companies are required to submit a schedule that lists the name, address, tax identification number, and proportionate share of the telecommunications company's income and credit taxable to each entity, partner, or other person.

### Where to Obtain Additional Information

If you have any questions concerning your status as a telecommunications company or the amount of your gross receipts, contact the Public Service Taxation Division of the State Corporation Commission at **P.O. Box 1197, Richmond, VA 23218** or at (804) 371-9480.

### When and Where to File

Form 500 with Form 500T is due on the 15th day of the 4th month after the close of your taxable year.

## Instructions

Before filling out this form you must first complete Form 500, Lines 1-9. If a telecommunications corporation is included in a combined or consolidated corporation income tax return, see 23 Virginia Administrative Code (VAC) 10-120-86(B)(1). Items that are not specifically mentioned below are self-explanatory.

### Part I – Adjusted Corporate Income Tax Computation

**Line 1.** Enter the corporate income tax liability from Form 500, Line 9.

**Line 2.** For information on these credits refer to the Schedule 500CR instructions.

**Line 3.** Subtract the total amount of tax credits on Line 2 from the corporate income tax liability on Line 1. The adjusted corporate income tax amount will be compared to the minimum tax amount in Part II.

### Part II – Minimum Tax Computation

**Line 5.** The minimum tax rate is 0.5% of gross receipts. If filing a consolidated or combined return, complete the Schedule of Minimum Tax for Consolidated and Combined Filers on Page 2, providing a breakdown of the minimum tax for each corporation.

**Line 7.** If Line 7 is the same as the corporate income tax (Part I, Line 3), complete the balance of Form 500, beginning with Line 10, using the credits on Lines 2(A) through (F), (H), (I), (K), (M) through (W), (Y) through (CC), (EE), and (GG) through (HH) from Form 500T, Page 1.

If Line 7 is the same as the minimum tax, enter this amount on Form 500, Line 11 and complete the balance of the Form 500 beginning with Line 12. Line 10 of Form 500 will be blank.

**Short taxable periods** – Report the gross receipts for the calendar year that ended during the taxable period; or, if none, use the gross receipts for the most recent calendar year which ended BEFORE the taxable period. Prorate the minimum tax by multiplying the minimum tax by the number of months in the short taxable year and divide by 12. Enter the result on the appropriate line.

### Part III – Noncorporate Telecommunications Companies

A noncorporate telecommunications company must calculate its minimum tax liability. Additionally, it must calculate an income tax liability as if it were a corporation (a statement must be enclosed showing how the corporate income tax was calculated). If the minimum tax is greater than the calculated corporate income tax, the noncorporate telecommunications company must pay an amount equal to the difference (Line 10) when filing this form.

**Line 10.** Check the Noncorporate Telecommunications Company box on Form 500, enter the amount from Line 10 of Form 500T, on Form 500, in the Noncorporate Telecommunications Company section and on Line 11.