



CALCULATION OF ASSESSABLE GROSS RECEIPTS

CN-12

Business Name: _____

Any business claiming a deduction for sales outside Newport MUST complete this form.

SECTION I

A sale qualifies as a gross receipt outside the City of Newport if it meets all of the following criteria:

1. The product or goods must be physically ordered and received outside the City.
2. The legal responsibility of the products or goods must also remain with the seller until the goods are received by the buyer.

Typical receipts that **DO NOT QUALIFY** as an outside sale deduction are:

1. Buyer orders product in person and business delivers product outside Newport.
2. Buyer orders product over the phone and picks up at business' Newport location.

SECTION II

Gross receipts assessable to Newport should be calculated according the the following formula:

Apportionment Factors	Column A (Newport)	Column B (Everywhere)	Column C
			A ÷ B = C
1) Gross Receipts: from sales and/or services rendered	1a) \$	1b) \$	1c) %
2) Gross Payroll: wages, salaries & compensation paid to employees.	2a) \$	2b) \$	2c) %
'3) Total % Assessable to Newport: Add the %'s from lines 1c & 2c and Enter on 3c.			3c) %
4) Average %: If both entries on line(s) 1b & 2b are greater than zero, then divide the entry on line 3c by a factor of "2" and Enter on 4c. If line 1b or line 2b is not greater than zero, Enter the amount from line 3c on 4c.			4c) %
5) Line1b multiplied by 4c equals Assessable Gross Receipts in Newport Enter the amount from 5c on CN16 - Line 3.			5c) \$