DRAFT FORM — NOT FOR FILING

This draft form has been updated to include the most recent changes effective for Tax Year 2026 Virginia returns. If legislative changes or issues arise, we will post a new version of this draft form.

Please continue to monitor **tax.virginia.gov/early-release-forms** for future drafts of this form. Once forms are final, we will post them on our website at **tax.virginia.gov/forms**.

2026 Virginia Schedule 502A
Pass-Through Entity Allocation and Apportionment of Income

Name as shown on Form 502	FEIN

Check if you are:

☐ Filing a Unified Nonresident Individual Income Tax Return (Form 765).

☐ A property information and analytics firm that has entered into a memorandum of understanding with VEDP and meets the criteria outlined in *Va. Code* § 58.1-422.4.

☐ An Internet root infrastructure provider that has entered into a memorandum of understanding with VEDP and meets the criteria outlined in *Va. Code* § 58.1-422.5.

Section A – Apportionment Method

1. **Motor Carrier Mileage Factor** . . . . ☐
   If an exception applies, check the applicable box below
   ☐ **Exception 1** ☐ **Exception 2**
2. **Financial Corporation Cost of Performance Factor** . . ☐
3. **Construction Corporation Completed Contract Basis Sales Factor** . . . . ☐
4. **Railway Company Revenue Car Miles** . . . . ☐
5. **Retail Company Apportionment** . . . . ☐
6. **Debt Buyers Apportionment** . . . . ☐
7. **Manufacturer's Modified Apportionment Method Sales Factor** . . . . ☐
   (a) Enter beginning date of election year _____/_____/_____
   (b) Wage and employment certification required each year: Check to certify that the average weekly wages of the full-time employees is greater than the lower of the state or local average weekly wages for its industry, and that the average annual number of full-time employees of the manufacturing company is at least 90% of the base year employment . . . . ☐
8. **Enterprise Data Center Operation** . . . . ☐
9. **Multi-Factor Formula With Double-Weighted Sales** . . . . ☐

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Section B – Apportionment Percentage

	Column A Total	Column B Virginia	Column C Percentage
1. Single Factor Computation Motor carriers, financial corporations, construction corporations, railway companies, retail companies, debt buyers, manufacturers who elected the modified apportionment method in Section A, and certain enterprise data center operations 1	.00	.00	%
2. Multi-Factor Computation			
(a) Property Factor . . . . **2(a)**	.00	.00	%
(b) Payroll Factor . . . . **2(b)**	.00	.00	%
(c) Sales Factor . . . . **2(c)**	.00	.00	%
(d) Double-Weighted Sales Factor Apportionment: Multiply the sales factor from Line 2(c) by 2 . . . . **2(d)**			%
(e) Sum of Percentages. Add Lines 2(a), 2(b), and 2(d) . . . . **2(e)**			%
(f) Multi-Factor Percentage (Double-Weighted Sales): Divide Line 2(e) by 4, reduced by the number of factors, if any, having no denominator . . . . **2(f)**			%

Section C – Allocable and Apportionable Income

1. Total of taxable income amounts from Form 502, Line 1 . . . . **1.**	.00
2. If commercial domicile is in Virginia, enter dividends received here and on Form 502, Line 4 . . . . **2.**	.00
3. If commercial domicile is not in Virginia:	
(a) Enter dividends received . . . . **3(a)**	.00
(b) Enter nonapportionable investment function income . . . . **3(b)**	.00
(c) Add Lines 3(a) and 3(b) . . . . **3(c)**	.00
(d) Enter nonapportionable investment function loss . . . . **3(d)**	.00
(e) Allocable Income – Subtract Line 3(d) from Line 3(c). Enter the amount here and on Form 502, Line 5 . . . . . **3(e)**	.00
4. Apportionable Income – If domiciled in Virginia, subtract Line 2 from Line 1. If not domiciled in Virginia, subtract Line 3(e) from Line 1. Enter on Form 502, Line 6 . . . . **4.**	.00