

Delaware State Tax Compliance Report - Fiscal Year 2022

Nexus Intelligent Systems, Inc.

1. EXECUTIVE SUMMARY

This Delaware State Tax Compliance Report ("Report") provides a comprehensive review of Nexus Intelligent Systems, Inc.'s ("Company") tax compliance status for the fiscal year ending December 31, 2022, in accordance with Delaware state tax regulations and reporting requirements.

2. CORPORATE TAX PROFILE

2.1 Corporate Identification

- Legal Entity Name: Nexus Intelligent Systems, Inc.
- Delaware Secretary of State File Number: 8234591
- Federal Employer Identification Number (FEIN): 87-2345678
- State Tax ID: 2022-0987654
- Fiscal Year End: December 31, 2022

2.2 Tax Classification

- Corporate Structure: Delaware C-Corporation
- Primary Business Activity: Enterprise AI Services & Predictive Analytics
- Tax Status: Active Domestic Corporation

3. STATE TAX COMPLIANCE ASSESSMENT

3.1 Franchise Tax Compliance

The Company has completed and filed its annual Franchise Tax Report for the 2022 fiscal year. Total franchise tax liability for the period was calculated as follows:

- Authorized Shares Method Calculation: \$89,750
- Assumed Par Value Capital Method Calculation: \$76,234
- Final Franchise Tax Payment: \$89,750 (higher of two methods)
- Payment Date: February 15, 2023
- Payment Method: Electronic funds transfer via Delaware Division of Revenue

3.2 Corporate Income Tax Compliance

- Gross Receipts: \$12,500,000
- Taxable Income: \$3,750,000
- State Corporate Income Tax Rate: 8.7%
- Total State Corporate Income Tax Liability: \$326,250
- Tax Payment Date: March 15, 2023

4. COMPLIANCE DOCUMENTATION

4.1 Filed Tax Returns

- Delaware Franchise Tax Report Completed
- Delaware Corporate Income Tax Return Completed
- Annual Registered Agent Confirmation Completed

4.2 Supporting Documentation

The following documentation is maintained and available for review:

- Detailed general ledger
- Quarterly financial statements
- Independent accounting reconciliation reports
- Internal tax workpapers

5. TAX RISK ASSESSMENT

5.1 Identified Compliance Risks

- No material tax compliance issues identified
- No outstanding tax assessments or disputes
- No pending state tax audits

5.2 Tax Planning Considerations

- Potential R&D tax credit optimization
- Review of nexus considerations for multi-state operations
- Evaluation of potential tax efficiency strategies

6. CERTIFICATIONS AND REPRESENTATIONS

We hereby certify that:

All tax reporting is accurate and complete

All required tax payments have been made timely

No material misstatements exist in this report

7. LIMITATIONS AND DISCLAIMERS

This report is prepared for internal review and potential due diligence purposes. It represents management's best assessment of tax compliance as of the report date.

8. SIGNATURES

Executed By:

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Dr. Elena Rodriguez

Chief Executive Officer

Nexus Intelligent Systems, Inc.

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Sarah Williamson

Chief Strategy Officer

Nexus Intelligent Systems, Inc.

Date of Execution: January 22, 2024

9. CONTACT INFORMATION

Tax Compliance Contact:

- Michael Chen, Chief Financial Officer
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END OF REPORT