



Partnership/Limited Liability Company Return of Income

ALSO TO BE FILED BY SYNDICATES, POOLS, JOINT VENTURES, ETC.

Important!

You Must Check Applicable Box:

- Amended Return
Initial Return
Final Return
General Partnership
Limited Partnership
LLC/LLP

For Calendar Year 2007 or Fiscal Year beginning... 2007, and ending...
FEDERAL BUSINESS CODE NUMBER
FEDERAL EMPLOYER IDENTIFICATION NUMBER
Name of Company
Number and Street
City or Town State 9 Digit ZIP Code
Check if the company operates in more than one state...
Check if the company qualifies for the Alabama Enterprise Zone Credit...
Number of Members During The Tax Year
State in Which Company Was Formed Nature of Business Date Qualified in Alabama Number of Non-Resident Members Included in Composite Filing

DEPARTMENT USE ONLY
FN

Total Federal income as shown on Form 1065, line 8.

Total Federal deductions as shown on Form 1065, line 21.

Total assets as shown on Form 1065.

CN

UNLESS A COPY OF FEDERAL FORM 1065 IS ATTACHED THIS RETURN IS INCOMPLETE

SCHEDULE A

COMPUTATION OF SEPARATELY STATED AND NONSEPARATELY STATED INCOME

1 Federal Ordinary Income or (Loss) from trade or business activities... 1

Reconciliation to Alabama Basis (see instructions)

Table with 2 columns: Description and Amount. Rows include Net short-term and long-term capital gains, Salaries and wages reduced for federal employment credits, Net income or (loss) from rental real estate activities, etc.

Separately Stated Items (Related to Business Income)

Table with 2 columns: Description and Amount. Rows include Contributions, Oil and gas depletion, I.R.C. §179 expense deduction, Casualty losses, Portfolio income or (loss) less expenses, etc.

Please Sign Here

I authorize a representative of the Department of Revenue to discuss my return and attachments with my preparer. Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature of general partner Date Daytime Telephone No. Social Security No.

Paid Preparer's Use Only

Preparer's Signature Date Check if self-employed Preparer's Social Security No. Firm's name (or yours, if self-employed) and address Telephone No. E.I. No. ZIP Code



**SCHEDULE B**

**ALLOCATION OF NONBUSINESS INCOME, LOSS, AND EXPENSE**

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	ALLOCABLE GROSS INCOME / LOSS		RELATED EXPENSE		NET OF RELATED EXPENSE	
	Column A Everywhere	Column B Alabama	Column C Everywhere	Column D Alabama	Column E Everywhere (Col. A less Col. C)	Column F Alabama (Col. B less Col. D)
<b>Nonseparately stated items</b>						
1a						
1b						
1c						
<b>1d Total (add lines 1a, 1b, and 1c)</b>						
<b>Separately stated items</b>						
1e						
1f						
1g						
<b>1h Total (add lines 1e, 1f, and 1g)</b>						

**SCHEDULE C**

**APPORTIONMENT FACTOR SCHEDULE**

TANGIBLE PROPERTY AT COST FOR PRODUCTION OF BUSINESS INCOME	ALABAMA		EVERYWHERE	
	BEGINNING OF YEAR	END OF YEAR	BEGINNING OF YEAR	END OF YEAR
1 Inventories				
2 Land				
3 Furniture and fixtures				
4 Machinery and equipment				
5 Buildings and leasehold improvements				
6 IDB/IRB property (at cost)				
7 Government property (at FMV)				
8				
9 Less Construction in progress (if included)				
10 Totals				
11 Average owned property (BOY + EOY ÷ 2)				
12 Annual rental expense		x8 =		x8 =
13 Total average property (add line 11 and line 12)		<b>13a</b>		<b>13b</b>
14 Alabama property factor — 13a ÷ 13b = line 14				<b>14</b> ▶ %
<b>SALARIES, WAGES, COMMISSIONS AND OTHER COMPENSATION RELATED TO THE PRODUCTION OF BUSINESS INCOME</b>		15a ALABAMA	15b EVERYWHERE	15c
15 Alabama payroll factor — 15a ÷ 15b = 15c				▶ %
<b>SALES</b>		ALABAMA	EVERYWHERE	
16 Destination sales (see instructions)				
17 Origin sales (see instructions)				
18 Total gross receipts from sales				
19 Dividends				
20 Interest				
21 Rents				
22 Royalties				
23 Gross proceeds from capital and ordinary gains				
24 Other (Federal 1065, line _____)				
25 Alabama sales factor — 25a ÷ 25b = line 25c		<b>25a</b>	<b>25b</b>	<b>25c</b> ▶ %
26 Sum of lines 14, 15c, and 25c + 3 = ALABAMA APPORTIONMENT FACTOR (Enter here and on line 4, Schedule D, page 3)				<b>26</b> ▶ %



**SCHEDULE D**

**APPORTIONMENT AND ALLOCATION OF INCOME TO ALABAMA**

1	Net Alabama nonseparately stated income or (loss) from line 10, Schedule A	1		
2	Nonseparately stated (income) or loss treated as nonbusiness income (line 1d, Column E, Schedule B) – please enter income as a negative amount and losses as a positive amount.	2		
3	Apportionable income or (loss) – add line 1 and line 2.	3		
4	Apportionment factor from line 26, Schedule C	4		%
5	Income or (loss) apportioned to Alabama (multiply amount on line 3 by the percentage on line 4)	5		
6	Nonseparately stated income or (loss) allocated to Alabama as nonbusiness income (Column F, line 1d, Schedule B)	6		
7	Nonseparately Stated Income Allocated and Apportioned to Alabama (add lines 5 and 6). Enter this amount on line 20, Schedule A and line 1, Schedule K – Alabama Amount	7		

**SCHEDULE E**

**OTHER INFORMATION**

- Indicate method of accounting (a)  cash (b)  accrual (c)  other
- Check if the company is currently being audited by the IRS  What years are involved? \_\_\_\_\_
- Check if the IRS has completed any audits  See instructions if the IRS has completed any audits during this tax period.
- Enter this company's Alabama Withholding Tax Account # \_\_\_\_\_
- Briefly describe your operations \_\_\_\_\_
- Indicate if company has been (a)  dissolved (b)  sold (c)  incorporated  
If company has been dissolved, sold, or incorporated, complete the following:  
Nature of change \_\_\_\_\_  
Name and address of new company, corporation, or owner(s) \_\_\_\_\_
- Location of the partnership records \_\_\_\_\_
- Check if an Alabama business privilege tax return was filed for this entity   
If the privilege tax return was filed using a different FEIN, please provide the name and FEIN used to file the return.  
FEIN: \_\_\_\_\_ NAME: \_\_\_\_\_

**SCHEDULE K**

**DISTRIBUTIVE SHARE ITEMS**

	Federal Amount	Apportionment Factor	Alabama Amount	Enter on Alabama Schedule K-1
1 Alabama Nonseparately Stated Income (Schedule D, line 7) . . .				Part III, Line M
<b>Separately Stated Items:</b>				
2 Contributions . . . . .				Part III, Line S
3 Oil and gas depletion . . . . .				Part III, Line Z
4 I.R.C. §179 expense deduction . . . . .				Part III, Line O
5 Casualty losses . . . . .				Part III, Line W
6 Portfolio income . . . . .				Part III, Line Q
7 Interest expense related to portfolio income . . . . .				Part III, Line P
8 Other expenses related to portfolio income (attach schedule) . . .				Part III, Line R
9 Other separately stated business items (attach explanation) . . .				Part III, Line T
10 Separately stated nonbusiness items (attach schedule) . . . . .				Part III, Line AA
11 Composite payment made on behalf of owner/shareholder . . . . .				Part III, Line U
12 U.S. taxes paid (attach explanation) . . . . .				Part III, Line V
13 Alabama exempt income (attach explanation) . . . . .				Part III, Line AB
<b>Transactions with Owners:</b>				
14 Property distributions to owners . . . . .				Part III, Line X
15 Guaranteed payments to partners . . . . .				Part III, Line N

**CHECK LIST**

HAVE THE FOLLOWING FORMS BEEN ATTACHED TO THE FORM 65?

- ALABAMA SCHEDULE K-1 (one for each owner)
- ALABAMA SCHEDULE NRA (if applicable)
- FEDERAL FORM 1065 (entire form as filed with the IRS)