



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
- Qualified Investment Partnership

For Calendar Year 2010 or Fiscal Year beginning ● _____, 2010, and ending ● _____, _____

FEDERAL BUSINESS CODE NUMBER ● 611511		FEDERAL EMPLOYER IDENTIFICATION NUMBER ● 63-0000010	
Name of Company ● Cut Hair Like a Pro LLC			
Number and Street 789 Scissors Lane			
City or Town Barber		State NJ	9 Digit ZIP Code 98034-6661
Check if the company operates in more than one state <input checked="" type="checkbox"/>		If above name or address is different from the one shown on your 2009 return, check here <input type="checkbox"/>	
Check if the company qualifies for the Alabama Enterprise Zone Credit or the Capital Credit <input checked="" type="checkbox"/>		Number of Members During The Tax Year ● 2	
State in Which Company Was Formed ● MD	Nature of Business ● Cosmetology	Date Qualified in Alabama ● 01/01/2010	Number of Nonresident Members Included in Composite Filing ... ● 2

DEPARTMENT USE ONLY

FN

Total Federal income as shown on Form 1065, line 8.
● 363,957.00

Total Federal deductions as shown on Form 1065, line 21.
● 1,261,462.00

Total assets as shown on Form 1065.
● 2,749,483.00

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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 ●	(897,505)
Reconciliation to Alabama Basis (see instructions)	2 Net short-term and long-term capital gains – income or (loss)	2 ●	45,677
	3 Salaries and wages reduced for federal employment credits	3 ●	(25,000)
	4 Net income or (loss) from rental real estate activities.....	4 ●	2,000,000
	5 Net income or (loss) from other rental activities	5 ●	1,000,000
	6 Net gain or (loss) under I.R.C. §1231 (other than casualty losses)	6 ●	60,000
	7 Adjustments due to the Federal Economic Stimulus Act of 2008 (attach schedule).....	7 ●	(3,902)
	8 Other reconciliation items (attach schedule)	8 ●	-359,100
	9 Net reconciling items (add lines 2 through 8).....	9 ●	2,717,675
10 Net Alabama nonseparately stated income or (loss) (add line 1 and line 9).....	10 ●	1,820,170	
Separately Stated Items (Related to Business Income)	11 Contributions	11 ●	(180,000)
	12 Oil and gas depletion	12 ●	(1,200)
	13 I.R.C. §179 expense deduction (complete Schedule K).....	13 ●	(45,556)
	14 Casualty losses.....	14 ●	(1,400)
	15 Portfolio income or (loss) less expenses (complete Schedule K).....	15 ●	423,239
	16 Other separately stated items (attach schedule).....	16 ●	1,600
	17 Net separately stated items (add line 11 through 16).....	17 ●	196,683
	18 Total separately stated and nonseparately stated items (add line 10 and line 17).....	18 ●	2,016,853
	19 Alabama apportionment factor from Schedule D, line 4.....	19 ●	6.7145 %
	20 Nonseparately Stated Income Allocated and Apportioned to Alabama from Schedule D, line 7.....	20 ●	122,649

I authorize a representative of the Department of Revenue to discuss my return and attachments with my preparer.

Please Sign Here 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. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of general partner _____ Date 01/17/10 (334) 222-3333 Daytime Telephone No. 234 23 2345 Social Security No.

Preparer's Signature _____ Date 01/16/2010 Check if self-employed Preparer's Social Security No. ● 321 21 3211

Paid Preparer's Use Only Firm's name (or yours, if self-employed) and address ● Southern Tax Service
Telephone No. (334) 222-3333 E.I. No. 63-1111111
● 1 Mid State Street Montgomery, AL ZIP Code 36111
Email Address suzyq@southerntaxservice.com



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)
Nonseparately stated items						
1a Statement	● 10,000	1,000	100	10	9,900	990
1b Item B	● 1,111	111	11	1	1,100	110
1c Item C	● 2,222	222	22	2	2,200	220
1d Total (add lines 1a, 1b, and 1c)					● 13,200	1,320
Separately stated items						
1e Statement	● 20,000	2,000	200	20	19,800	1,980
1f Item D	● 3,333	333	33	3	3,300	330
1g Item E	● 4,444	444	44	4	4,400	440
1h Total (add lines 1e, 1f, and 1g)					● 27,500	2,750

SCHEDULE C

APPORTIONMENT FACTOR SCHEDULE – Do not complete if the entity operates exclusively in Alabama.

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	● 100,000	100,000	100,000	100,000
2 Land	● 2,000,000	200,000	5,880,000	4,080,000
3 Furniture and fixtures	● 300,000	300,000	300,000	300,000
4 Machinery and equipment	● 400,000	400,000	400,000	400,000
5 Buildings and leasehold improvements	● 5,000,300	500,500	29,001,290	21,701,700
6 IDB/IRB property (at cost)	● 600,000	600,000	600,000	600,000
7 Government property (at FMV)	● 7	77	777	7,777
8 ● Statement 4	800,000	800,000	800,000	800,000
9 Less Construction in progress (if included)	● 300	500	1,300	1,700
10 Totals	● 9,200,007	2,900,077	37,080,767	27,987,777
11 Average owned property (BOY + EOY ÷ 2)		● 6,050,042		● 32,534,272
12 Annual rental expense	● 12,000 x8 =	96,000	12,000 x8 =	96,000
13 Total average property (add line 11 and line 12)		● 6,146,042		● 32,630,272
14 Alabama property factor — 13a ÷ 13b = line 14				● 18.8354 %
SALARIES, WAGES, COMMISSIONS AND OTHER COMPENSATION RELATED TO THE PRODUCTION OF BUSINESS INCOME		15a ALABAMA	15b EVERYWHERE	15c
15 Alabama payroll factor — 15a ÷ 15b = 15c		● 15,000	4,069,600	0.3686 %
SALES		ALABAMA	EVERYWHERE	
16 Destination sales	● 16,000			
17 Origin sales	● 17,000			
18 Total gross receipts from sales	● 33,000		17,053,999	
19 Dividends	● 19,000		19,000	
20 Interest	● 20,000		80,900	
21 Rents	● 21,000		21,000	
22 Royalties	● 22,000		22,000	
23 Gross proceeds from capital and ordinary gains	● 23,000		23,000	
24 Other ● Statement 5 (Federal 1065, line ● 12)	● 24,000		24,000	
25 Alabama sales factor — 25a ÷ 25b = line 25c		25a ● 162,000	25b 17,243,899	25c 0.9395 %
26 Sum of lines 14, 15c, and 25c ÷ 3 = ALABAMA APPORTIONMENT FACTOR (Enter here and on line 4, Schedule D, page 3)				● 6.7145 %



SCHEDULE D

APPORTIONMENT AND ALLOCATION OF INCOME TO ALABAMA

1	Net Alabama nonseparately stated income or (loss) from line 10, Schedule A	1	●	1,820,170
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	●	(13,200)
3	Apportionable income or (loss) – add line 1 and line 2	3	●	1,806,970
4	Apportionment factor from line 26, Schedule C	4	●	6.7145%
5	Income or (loss) apportioned to Alabama (multiply amount on line 3 by the percentage on line 4)	5	●	121,329
6	Nonseparately stated income or (loss) allocated to Alabama as nonbusiness income (Column F, line 1d, Schedule B)	6	●	1,320
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	●	122,649

SCHEDULE E

OTHER INFORMATION

1 Indicate method of accounting (a) cash (b) accrual (c) other

2 Check if the company is currently being audited by the IRS What years are involved? 2009, 2008, 2007

3 Check if the IRS has completed any audits

4 Enter this company's Alabama Withholding Tax Account Number ● 1234567890

5 Briefly describe your operations ● Beauty Services

6 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 ● Nature of Change
Name and address of new company, corporation, or owner(s) ● Name and Address of New Company

7 Location of the partnership records ● Record Street Organizationville AL 36132

8 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: ● 88-1234567 NAME: ● Test Name

9 Taxpayer's email address: test.name@testing.com

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)			● 122,649	Part III, Line M
Separately Stated Items:				
2 Contributions	● 180,000	6.7145	12,086	Part III, Line S
3 Oil and gas depletion	● 1,200	6.7145	81	Part III, Line Z
4 I.R.C. §179 expense deduction				
a. Amount allowed on 1065	● 50,000			
b. Adjustments required (see instructions)	● 4,444			
c. Amount to be apportioned	● 45,556	6.7145	3,059	Part III, Line O
5 Casualty losses	● 1,400	6.7145	94	Part III, Line W
6 Portfolio income	● 439,350	6.7145	29,500	Part III, Line Q
7 Interest expense related to portfolio income	● 8,000	6.7145	537	Part III, Line P
8 Other expenses related to portfolio income (attach schedule)	● 8,111	6.7145	545	Part III, Line R
9 Other separately stated business items (attach explanation)	● 1,600	6.7145	107	Part III, Line T
10 Small business health insurance premiums (attach explanation)			● 320	Part III, Line Y
11 Separately stated nonbusiness items (attach schedule)	● 27,500		● 2,750	Part III, Line AA
12 Composite payment made on behalf of owner/shareholder			● 8,611	Part III, Line U
13 U.S. taxes paid (attach explanation)	● 1,200	6.7145	81	Part III, Line V
14 Alabama exempt income (attach explanation)	● 439,100	6.7145	29,483	Part III, Line AB
Transactions with Owners:				
15 Property distributions to owners	● 27,300	100%	● 27,300	Part III, Line X
16 Guaranteed payments to partners	● 298,900		● 20,070	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)



Required Entity Information For Partnerships and LLCs

1. List general partners.

NAME OF GENERAL PARTNER	SSN / FEIN	ADDRESS	PERCENT OF OWNERSHIP
a. ● Franklin D. Roosevelt	360000005	635 Roosevelt Rd. Woodbridge, VA 88741	50.00
b. ●			
c. ●			
d. ●			
e. ●			

2. List other states in which the Partnership/LLC operates, if applicable.

3. At any time during the tax year, did the Partnership/LLC transact business in a foreign country? Yes No
 If yes, complete the information below:

NAME OF COUNTRY	NATURE OF BUSINESS	TAXABLE INCOME REPORTED TO COUNTRY
a. ●		
b. ●		
c. ●		
d. ●		
e. ●		

4. At any time during the tax year, did the Partnership/LLC invest in another Pass-Through entity? Yes No
 If yes, complete the information below:

NAME OF ENTITY	FEIN	PERCENT OF OWNERSHIP
a. ●		
b. ●		
c. ●		
d. ●		
e. ●		

5. Person to contact for information regarding this return:

Name: Suzy Q

Telephone Number: (334) 222-3333

Email: suzyq@southerntaxservices.com



Owner's/Shareholder's Share of
Income, Deductions, Credits, etc.

2010

- Subchapter K entity
- S corporation
- QIP Indicator

Tax year beginning 01/01, 2010 and ending 12/31, 2010

SEE INSTRUCTIONS

- Final K-1
- Amended K-1

PART I Information About the Pass Through Entity	PART III Owner's/Shareholder's Share of Current Year Alabama Income, Deductions, Credit, and Other Items
<p>A Entity's Federal Employer Identification Number 63-0000010</p>	<p>M Nonseparately stated income allocated and apportioned to Alabama • 61,324</p>
<p>B Entity's name, address, city, state, and ZIP code Cut Hair Like a Pro 789 Scissors Lane + </p>	<p>N Amount of guaranteed payments to partner to be reported by the partner as Alabama source income (see instructions) • 13,728</p>
PART II Information About the Owner/Shareholder	
<p>C Owner's/Shareholder's identifying number • 36000005</p>	<p>O Section 179 expense • 1,530</p>
<p>D Owner's/Shareholder's name • Franklin D. Roosevelt</p>	<p>P Investment interest expense related to portfolio income • 268</p>
<p>E Owner's/Shareholder's street address • 635 Roosevelt Rd.</p>	<p>Q Portfolio income • 14,750</p>
<p>F Owner's/Shareholder's city, state, ZIP code • Woodbridge, VA 88741</p>	<p>R Other expenses related to portfolio income – do not include interest expense • 273</p>
<p>G <input checked="" type="checkbox"/> General partner or LLC member manager <input type="checkbox"/> Limited partner or other LLC member</p>	<p>S Charitable contributions • 6,043</p>
<p>H What type of entity is this owner/shareholder? • Individual</p>	<p>T Other separately stated business items (attach schedule) • 53</p>
<p>I Owner's/Shareholder's percentage of profit and (loss) sharing • 50.00%</p>	<p>U Composite payment made on behalf of owner/shareholder (see instructions) • 4,490</p>
<p>J Check if owner/shareholder is a nonresident <input checked="" type="checkbox"/> Nonresident If a nonresident, provide state of legal residence: <u>VA</u> If a nonresident, check if an Alabama Schedule NRA, nonresident agreement, has been filed for the shareholder. • <input type="checkbox"/> Schedule NRA filed</p>	<p>V U.S. income taxes paid (see instructions) • 41</p> <p>W Casualty losses (see instructions) • 47</p>
<p>K Owner's capital at end of tax year • <input type="checkbox"/> Tax Basis <input checked="" type="checkbox"/> GAAP <input type="checkbox"/> Other</p>	<p>X Withdrawals and distributions • 13,650</p>
<p>L Notes: See Statement 1</p>	<p>Y Small business health insurance premiums • 160</p> <p>Z Oil and gas depletion • 41</p> <p>AA Separately stated nonbusiness items (attach schedule) • 1,375</p> <p>AB Alabama exempt income (attach explanation) • 14,741</p>

A completed Alabama Schedule K-1 for each member in the Subchapter K entity/S corporation must be attached to Form 65/Form 20S.

2010 Alabama Form AL65 K-1

Franklin D. Roosevelt
360-00-0005
Year: 2010

Statement 1 – Form AL65, Schedule K-1, Line L – Notes

Capital Credit

\$100

2010 Alabama Form AL65 K-1

Franklin D. Roosevelt
360-00-0005
Year: 2010

Statement 2 – Form AL65, Schedule K-1, Line Q – Portfolio Income

Interest Income	<u>\$14,750</u>
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2010 Alabama Form AL65 K-1

Franklin D. Roosevelt
360-00-0005
Year: 2010

Statement 3 – Form AL65, Schedule K-1, Line R – Other Expenses Related to Portfolio
Income

Other Portfolio Income \$273

2010 Alabama Form AL65 K-1

Franklin D. Roosevelt
360-00-0005
Year: 2010

Statement 4 – Form AL65, Schedule K-1, Line S –Charitable Contributions

Cash Contributions (50%)

\$6,043

2010 Alabama Form AL65 K-1

Franklin D. Roosevelt
360-00-0005
Year: 2010

Statement 5 – Form AL65, Schedule K-1, Line T – Other Separately Stated Business
Items

Other Separately Stated Items \$53

2010 Alabama Form AL65 K-1

Franklin D. Roosevelt
360-00-0005
Year: 2010

Statement 6 – Form AL65, Schedule K-1, Line X – Withdrawals and Distributions

Cash Distributions	<u>\$13,650</u>
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