

Form 65 Test 2

Form 65 Schedules Tested:

1. Final Return
2. Fiscal Year filer
3. Schedule A
4. Schedule C
5. Schedule D
6. Schedule E
7. Schedule K
8. Schedule CR
9. Required Entity Information
10. QIP test

K-1 Issues Tested:

1. All Non Resident K-1
2. Final K-1

PAB Issues Tested:

1. 3 Owners
2. Fiscal Year

PTE-C Issues Tested:

1. Fiscal Year
2. Required Entity Information
3. Amount Due
4. Lines 5A-5C

Revisions:

11/14/2013 – (1) Form 65, Schedule A, line 20: Changed amount from 334,016 to 554,544 to match Schedule D, line 7 amount. (2) Schedule K, Line 4, federal amount column: Changed amount from 500,000 to 50,000 to match amount on Schedule A, Line 13. Amounts have been updated on all K-1s line O.

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
- Public Housing Project

For Calendar Year 2013 or Fiscal Year beginning ● 6/1, 2013, and ending ● 5/31, 2014

FEDERAL BUSINESS CODE NUMBER ●		FEDERAL EMPLOYER IDENTIFICATION NUMBER ●	
Name of Company ● <u>65 Test 2</u>			
Number and Street			
City or Town		State <u>LA</u>	9 Digit ZIP Code
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 2012 return, check here ● <input checked="" 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 ●	<u>3</u>
State in Which Company Was Formed ● <u>LA</u>	Nature of Business ● <u>Entertainment</u>	Date Qualified in Alabama ● <u>01/01/1998</u>	Number of Nonresident Members Included in Composite Filing ... ● <u>3</u>

DEPARTMENT USE ONLY
 FN

Total Federal income. ●

Total Federal deductions. ●

Total assets as shown on Form 1065. ●

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 ●	<u>1,500,500</u>
Reconciliation to Alabama Basis (see instructions)	2 Net short-term and long-term capital gains – income or (loss)	2 ●	<u>400,000</u>
	3 Salaries and wages reduced for federal employment credits	3 ●	<u>(500)</u>
	4 Net income or (loss) from rental real estate activities	4 ●	
	5 Net income or (loss) from other rental activities	5 ●	
	6 Net gain or (loss) under I.R.C. §1231 (other than casualty losses)	6 ●	<u>80,000</u>
	7 Adjustments due to the Federal Economic Stimulus Act of 2008 (attach schedule)	7 ●	
	8 Other reconciliation items (attach schedule)	8 ●	<u>13,000</u>
	9 Net reconciling items (add lines 2 through 8)	9 ●	<u>492,500</u>
10 Net Alabama nonseparately stated income or (loss) (add line 1 and line 9)	10 ●	<u>1,993,000</u>	
Separately Stated Items (Related to Business Income)	11 Contributions	11 ●	<u>(35,500)</u>
	12 Oil and gas depletion	12 ●	
	13 I.R.C. §179 expense deduction	13 ●	<u>(50,000)</u>
	14 Casualty losses	14 ●	<u>(800)</u>
	15 Portfolio income or (loss) less expenses (complete Schedule K)	15 ●	
	16 Other separately stated items (attach schedule)	16 ●	
	17 Net separately stated items (add line 11 through 16)	17 ●	<u>(86,300)</u>
	18 Total separately stated and nonseparately stated items (add line 10 and line 17)	18 ●	<u>1,906,700</u>
19 Alabama apportionment factor from Schedule D, line 4	19 ●	<u>27.8246%</u>	Do not multiply line 18 by line 19
20 Nonseparately Stated Income Allocated and Apportioned to Alabama from Schedule D, line 7	20 ●	<u>554,544</u>	

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

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 PTIN _____

Firm's name (or yours, if self-employed) and address _____ Telephone No. _____ E.I. No. _____

_____ ZIP Code _____

Email Address _____

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	●					
1b	●					
1c	●					
1d Total (add lines 1a, 1b, and 1c)					●	
Separately stated items						
1e	●					
1f	●					
1g	●					
1h Total (add lines 1e, 1f, and 1g)					●	

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	1 ● 140,000		5,000,000	6,500,000	
2 Land	2 ●				
3 Furniture and fixtures	3 ● 300,000		550,000	650,000	
4 Machinery and equipment	4 ●				
5 Buildings and leasehold improvements	5 ●				
6 IDB/IRB property (at cost)	6 ●				
7 Government property (at FMV)	7 ●				
8 ●	8				
9 Less Construction in progress (if included)	9 ●				
10 Totals	10 ● 440,000		5,550,000	7,150,000	
11 Average owned property (BOY + EOY ÷ 2)	11 ● 220,000		● 6,350,000		
12 Annual rental expense	12 ● 5,000 x8 = 40,000		8,000 x8 = 64,000		
13 Total average property (add line 11 and line 12)	13a ● 260,000		13b ● 6,414,000		
14 Alabama property factor — 13a ÷ 13b = line 14			14 ● 4.0536 %		
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		● 4,000,000	35,000,000	11.4286 %	
SALES		ALABAMA		EVERYWHERE	
16 Destination sales	16 ● 1,800,000				
17 Origin sales	17 ●				
18 Total gross receipts from sales	18 ● 1,800,000		2,000,000		
19 Dividends	19 ●		900,000		
20 Interest	20 ●		45,000		
21 Rents	21 ●				
22 Royalties	22 ●				
23 Gross proceeds from capital and ordinary gains	23 ●		800,000		
24 Other ● test (Federal 1065, line ● 11)	24 ●		12,200		
25 Alabama sales factor — 25a ÷ 25b = line 25c	25a ● 1,800,000		25b 3,757,200	25c 47.9080 %	
26 Enter the amount from line 25c				26 47.9080 %	
27 Sum of lines 14, 15c, 25c, and 26 ÷ 4 = ALABAMA APPORTIONMENT FACTOR (Enter here and on line 4, Schedule D, page 3)				27 ● 27.8246 %	

NOTE: If any factor is not utilized in the production of business income, it shall be eliminated and the denominator reduced accordingly (Administrative Rule 810-27-1-4-.09).

SCHEDULE D		APPORTIONMENT AND ALLOCATION OF INCOME TO ALABAMA	
1	Net Alabama nonseparately stated income or (loss) from line 10, Schedule A	1	● 1,993,000
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	● 1,993,000
4	Apportionment factor from line 27, Schedule C	4	● 27.8246 %
5	Income or (loss) apportioned to Alabama (multiply amount on line 3 by the percentage on line 4)	5	● 554,544
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	● 554,544

SCHEDULE E		OTHER INFORMATION	
1	Indicate method of accounting	(a) ● <input checked="" type="checkbox"/> cash	(b) ● <input type="checkbox"/> accrual
		(c) ● <input type="checkbox"/> other	
2	Check if the company is currently being audited by the IRS	● <input checked="" type="checkbox"/> What years are involved? 2010, 2011, 2012	
3	Check if the IRS has completed any audits	● <input checked="" type="checkbox"/>	
4	Enter this company's Alabama Withholding Tax Account Number	● 8888888888	
5	Briefly describe your operations	● Entertainment	
6	Indicate if company has been	(a) ● <input type="checkbox"/> dissolved	(b) ● <input checked="" type="checkbox"/> sold
		(c) ● <input type="checkbox"/> incorporated	
	If company has been dissolved, sold, or incorporated, complete the following:		
	Nature of change	● Sold	
	Name and address of new company, corporation, or owner(s)		
7	Location of the partnership records	● LA	
8	Check if an Alabama business privilege tax return was filed for this entity	● <input checked="" type="checkbox"/>	
	If the privilege tax return was filed using a different FEIN, please provide the name and FEIN used to file the return.		
	FEIN:	● 88-7448884	
	NAME:	● Other Company	
9	Taxpayer's email address:	Testing@yahoo.com	

SCHEDULE K		DISTRIBUTIVE SHARE ITEMS			
		Federal Amount	Apportionment Factor	Apportioned Amount	Enter on Alabama Schedule K-1
1	Alabama Nonseparately Stated Income (Schedule D, line 7)			● 554,544	Part III, Line M
Separately Stated Items:					
2	Contributions	● 35,500	27.8246	9,878	Part III, Line S
3	Oil and gas depletion	●	27.8246		Part III, Line Z
4	I.R.C. §179 expense deduction	● 50,000	27.8246	13,912	Part III, Line O
5	Casualty losses	● 800	27.8246	223	Part III, Line W
6	Portfolio income	●	27.8246		Part III, Line Q
7	Interest expense related to portfolio income	●	27.8246		Part III, Line P
8	Other expenses related to portfolio income (attach schedule)	●	27.8246		Part III, Line R
9	Other separately stated business items (attach explanation)	●	27.8246		Part III, Line T
10	Small business health insurance premiums (attach explanation)	●			Part III, Line Y
11	Separately stated nonbusiness items (attach schedule)	●			Part III, Line AA
12	Composite payment made on behalf of owner/shareholder	●		38,857	Part III, Line U
13	U.S. taxes paid (attach explanation)	●	27.8246		Part III, Line V
14	Alabama exempt income (attach explanation)	●	27.8246		Part III, Line AB
Transactions with Owners:					
15	Property distributions to owners	● 5,000,000	100%	5,000,000	Part III, Line X
16	Guaranteed payments to partners	● 800,000	27.8246	222,597	Part III, Line N

CHECK LIST

HAVE THE FOLLOWING FORMS BEEN ATTACHED TO THE FORM 65?

ALABAMA SCHEDULE K-1 (one for each owner)

FEDERAL FORM 1065 (entire form as filed with the IRS)



SCHEDULE CR

(Credits will not be allowed without required documentation)

a. Credit for taxes paid to foreign country	a	● 100	
b. Heroes for Hire Credit	b	● 200	
c. Full Employment Act of 2011	c	● 300	
d. Capital Credit	d	● 400	
e. AL New Markets Development Credit	e	● 500	
f. Enterprise Zone Credit	f	● 600	
g. Irrigation Credit	g	● 700	

Required Entity Information For Partnerships and LLCs

1. List general partners.

NAME OF GENERAL PARTNER	SSN / FEIN	ADDRESS	PERCENT OF OWNERSHIP
a. ● Owner 1			50.00
b. ●			
c. ●			
d. ●			
e. ●			

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

LA, GA, NC, SC

3. Person to contact for information regarding this return:

Name: _____

Telephone Number: (_____) _____

Email: _____

This schedule does not eliminate the Schedule K-1 filing requirement.

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

2013

Subchapter K entity

S corporation

QIP Indicator

Tax year beginning 6/1, 2013 and ending 5/31, 2014

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	
A	Entity's Federal Employer Identification Number		Income allocated and apportioned to Alabama
B	Entity's name, address, city, state, and ZIP code 65 Test 2	M	277,272 M2
PART II Information About the Owner/Shareholder		N	111,299 N2
C	Owner's/Shareholder's identifying number	O	6,956 O2
D	Owner's/Shareholder's name Owner 1	P	
E	Owner's/Shareholder's street address 11 Testing Lane	Q	
F	Owner's/Shareholder's city, state, ZIP code Atlanta, GA	R	
G	<input checked="" type="checkbox"/> General partner or LLC member manager <input type="checkbox"/> Limited partner or other LLC member	S	4,939 S2
H	What type of entity is this owner/shareholder? <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Tax exempt entity	T	
I	Owner's/Shareholder's percentage of profit and (loss) sharing 50.00%	U	19,429
J	Check if owner/shareholder is a nonresident <input checked="" type="checkbox"/> Nonresident If a nonresident, provide state of legal residence: Georgia Check if the owner is a single member LLC. <input type="checkbox"/> Owner	V	
K	Owner's basis at end of tax year 5,000,000	W	112 W2
L	1. Credit for taxes paid to foreign country 50	X	5,000,000
	2. Heroes for Hire Credit 100	Y	
	3. Full Employment Act of 2011 150	Z	
	4. Capital Credit 200	AA	
	5. AL New Markets Development Credit 250	AB	
	6. Enterprise Zone Credit 300		
	7. Irrigation Credit 350		
			100% Alabama - to be reported by Alabama residents
			Nonseparately stated income
			Amount of guaranteed payments to partner to be reported by the partner as Alabama source income (see instructions)
			Section 179 expense
			Investment interest expense related to portfolio income
			Portfolio income
			Other expenses related to portfolio income - do not include interest expense
			Charitable contributions
			Other separately stated business items (attach schedule)
			Composite payment made on behalf of owner/shareholder (see instructions)
			U.S. income taxes paid (see instructions)
			Casualty losses (see instructions)
			Withdrawals and distributions
			Small business health insurance premiums (attach explanation)
			Oil and gas depletion
			Separately stated nonbusiness items (attach schedule)
			Alabama exempt income (attach explanation)

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

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

2013

Subchapter K entity

S corporation

QIP Indicator

Tax year beginning 6/1, 2013 and ending 5/31, 2014

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	
A	Entity's Federal Employer Identification Number		Income allocated and apportioned to Alabama
B	Entity's name, address, city, state, and ZIP code 65 Test 2	M	100% Alabama – to be reported by Alabama residents Nonseparately stated income 166,363 M2
PART II Information About the Owner/Shareholder		N	Amount of guaranteed payments to partner to be reported by the partner as Alabama source income (see instructions) 66,779 N2
C	Owner's/Shareholder's identifying number	O	Section 179 expense 4,174 O2
D	Owner's/Shareholder's name Owner 2	P	Investment interest expense related to portfolio income
E	Owner's/Shareholder's street address 22 Testing Lane	Q	Portfolio income
F	Owner's/Shareholder's city, state, ZIP code Charleston, NC	R	Other expenses related to portfolio income – do not include interest expense
G	<input type="checkbox"/> General partner or LLC member manager <input checked="" type="checkbox"/> Limited partner or other LLC member	S	Charitable contributions 2,963 S2
H	What type of entity is this owner/shareholder? <input checked="" type="checkbox"/> Individual <input type="checkbox"/> Tax exempt entity	T	Other separately stated business items (attach schedule)
I	Owner's/Shareholder's percentage of profit and (loss) sharing 30.00%	U	Composite payment made on behalf of owner/shareholder (see instructions) 11,657
J	Check if owner/shareholder is a nonresident <input checked="" type="checkbox"/> Nonresident If a nonresident, provide state of legal residence: North Carolina Check if the owner is a single member LLC. <input checked="" type="checkbox"/> Owner Mr. Tester	V	U.S. income taxes paid (see instructions)
K	Owner's basis at end of tax year 100,000	W	Casualty losses (see instructions) 67 W2
L	1. Credit for taxes paid to foreign country 30	X	Withdrawals and distributions
	2. Heroes for Hire Credit 60	Y	Small business health insurance premiums (attach explanation)
	3. Full Employment Act of 2011 90	Z	Oil and gas depletion
	4. Capital Credit 120	AA	Separately stated nonbusiness items (attach schedule)
	5. AL New Markets Development Credit 150	AB	Alabama exempt income (attach explanation)
	6. Enterprise Zone Credit 180		
	7. Irrigation Credit 210		

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

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

2013

Subchapter K entity

S corporation

QIP Indicator

SEE INSTRUCTIONS

Tax year beginning 6/1, 2013 and ending 5/31, 2014

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	
A	Entity's Federal Employer Identification Number		Income allocated and apportioned to Alabama
B	Entity's name, address, city, state, and ZIP code 65 Test 2	M	100% Alabama – to be reported by Alabama residents Nonseparately stated income 110,909 M2
PART II Information About the Owner/Shareholder		N	Amount of guaranteed payments to partner to be reported by the partner as Alabama source income (see instructions) 44,519 N2
C	Owner's/Shareholder's identifying number	O	Section 179 expense 2,782 O2
D	Owner's/Shareholder's name Owner 3	P	Investment interest expense related to portfolio income
E	Owner's/Shareholder's street address 33 Testing Lane	Q	Portfolio income
F	Owner's/Shareholder's city, state, ZIP code New Orleans, LA	R	Other expenses related to portfolio income – do not include interest expense
G	<input type="checkbox"/> General partner or LLC member manager <input checked="" type="checkbox"/> Limited partner or other LLC member	S	Charitable contributions 1,976 S2
H	What type of entity is this owner/shareholder? <input checked="" type="checkbox"/> Partnership <input type="checkbox"/> Tax exempt entity	T	Other separately stated business items (attach schedule)
I	Owner's/Shareholder's percentage of profit and (loss) sharing 20.00%	U	Composite payment made on behalf of owner/shareholder (see instructions) 7,771
J	Check if owner/shareholder is a nonresident <input checked="" type="checkbox"/> Nonresident If a nonresident, provide state of legal residence: Louisiana Check if the owner is a single member LLC. <input type="checkbox"/> Owner	V	U.S. income taxes paid (see instructions)
K	Owner's basis at end of tax year	W	Casualty losses (see instructions) 45 W2
L	1. Credit for taxes paid to foreign country 20	X	Withdrawals and distributions
	2. Heroes for Hire Credit 40	Y	Small business health insurance premiums (attach explanation)
	3. Full Employment Act of 2011 60	Z	Oil and gas depletion
	4. Capital Credit 80	AA	Separately stated nonbusiness items (attach schedule)
	5. AL New Markets Development Credit 100	AB	Alabama exempt income (attach explanation)
	6. Enterprise Zone Credit 120		
	7. Irrigation Credit 140		

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



TAXPAYER NAME: 65 Test 2

TAXPAYER FEIN:

FOR THE TAX PERIOD 06-01, 20 13 through 05-30, 20 14

Related member is defined to include a corporation, association, disregarded entity, or subchapter K entity (Alabama Code section 40-18-1(13) and (15)). Disregarded entities and subchapter K entities are related members separate and apart from their owner. A column must be completed for each recipient related member.

Recipient related member who received interest/intangible income from the taxpayer:	Related Member 1	Related Member 2	Related Member 3	Related Member 4
1 a. Recipient related member FEIN.....	1a ●			
b. Recipient related member name.....	1b ● Property A	Property B	Property C	
2 List the intangible expense amounts paid to the recipient related member.....	2 ● 6,000		12,500	
3 List the interest expense amounts paid to the recipient related member.....	3 ● 500	10,000		
4 Total intangible/interest expenses paid (total lines 2 and 3).....	4 ● 6,500	10,000	12,500	

To determine the exempt amount of intangible/interest expense, complete the applicable section(s) below.

5 Exemption related to §40-18-35(b)(1) and §40-18-24(b):			CA, GA	
a. Jurisdiction(s) where recipient related member income is "subject to tax":.....	5a ●			
b. Amount of Line 4 expense not added back.....	5b ●		10,000	
c. Recipient related member's corresponding intangible/interest income allocated to jurisdiction.....	5c ●			
d. Adjusted intangible/interest amount (Line 5b minus Line 5c).....	5d ●		10,000	
e. Recipient related member's total apportionment percentage in the above jurisdiction(s).....	5e ● %	%	30.0000%	%
f. Adjusted interest/intangible amount (multiply Line 5d by Line 5e).....	5f ●		3,000	
g. Add Line 5c and Line 5f.....	5g ●		3,000	
6 Exemption related to §40-18-35(b)(2), §40-18-35(b)(4), §40-18-24(d) and §40-18-24(f) - Amount of Line 4 expense not added back.....	6 ● 3,000			

NOTE: For Section 7, 8, 9, and 10 the receipts of a disregarded entity/subchapter K entity, which may be a related entity in and unto itself, may not be combined with receipts of its owner for purposes of this schedule.

7 Exemption related to §40-18-35(b)(3) and §40-18-24(e) - Amount of Line 4 expense not added back.....	7 ● 1,000	10,000		
8 Recipient related member receipts by category:				
a. Intangible receipts.....	8a ● 1,000			
b. Interest receipts.....	8b ●	5,000		
9 a. ● Other Income	9a ● 8,000			
b. ● Sales	9b ●	7,000		
c. ●	9c ●			
d. ●	9d ●			
e. ●	9e ●			
10 a. If either Lines 8a or 8b are greater than Lines 9a, 9b, 9c, 9d or 9e, enter zero.....	10a ●			
b. If Lines 9a, 9b, 9c, 9d or 9e are greater than Lines 8a or 8b, enter amount from Line 7.....	10b ● 1,000	10,000		
11 Exempt Amount. Enter the greater of Lines 5g, 6, 10a or 10b.....	11 ● 3,000	10,000	3,000	
12 Total Intangible/Interest expenses paid to all related members. (Sum all Line 4 for all related members from all pages).....	12 29,000			
13 Total Exempt Amount. (Sum Line 11 for all related members from all pages. Subtract Line 13 from Line 12 and enter the difference on Form 65, Schedule A, Line 8 or Form 20S, Schedule A, Line 9).....	13 16,000			

Attach additional pages as needed and enter the totals of Lines 4 and Lines 11 for all related members from all pages on Page 1, Line 12 and 13.

In order to qualify for the exemption presented in §40-18-35(b)(3) and §40-18-24(e), Line 10b must be greater than zero and an informed corporate officer must sign the statement below, executed under penalty of perjury. With respect to the transaction(s) giving rise to the related member's interest/intangible expenses and costs, including both the direct interest/intangible expense transaction(s) between the taxpayer and the related member and any prior organizational restructuring transaction(s) that facilitated such direct interest/intangible expense transactions, tax avoidance (which included the avoidance of a meaningful amount of Alabama tax) was not a principal motivating factor.

Signature _____

Title _____ Date _____

FORM PTE-C

Nonresident Composite Payment Return

Alabama Department of Revenue CY
 Individual & Corporate Tax FY SY

2013

For the year January 1-December 31, 2013 or other tax year beginning 6/1, 2013, ending 5/31, 2014

Form PTE-C is used to report Alabama taxable income for all or some of the nonresident owners/shareholders from reported Subchapter K entity or S corporation income and to make payment on behalf of the owners/shareholders in lieu of individual reporting. (CAUTION: Do not include losses on this form – see instructions.)

Check applicable box: <input checked="" type="checkbox"/> Subchapter K entity <input type="checkbox"/> S corporation <input type="checkbox"/> Qualified Investment Partnership	FEDERAL EMPLOYER IDENTIFICATION NUMBER		FEDERAL BUSINESS CODE		DEPARTMENT USE ONLY
	NAME		STATE		
	ADDRESS		ZIP CODE		
	CITY	LA			
Check if amended: <input type="checkbox"/> Amended return	TOTAL NUMBER OF OWNERS/SHAREHOLDERS IN ENTITY: 3	NUMBER OF NONRESIDENT OWNERS/SHAREHOLDERS INCLUDED IN COMPOSITE FILING: 3	IF YOU FILED A 2012 RETURN WITH A DIFFERENT ADDRESS, CHECK HERE. <input checked="" type="checkbox"/>		

DO NOT ATTACH TO OR MAIL WITH FORM 65 OR 20S, THIS FORM MUST BE MAILED SEPARATELY.

1. Amount of tax due (see instructions)	1	38,857
2. Interest Due	2	
3. Penalty Due	3	
4. Total tax, interest, and penalty due	4	
5a. Overpayment from 2012	5a	500
b. Estimated and automatic extension tax payments	5b	500
c. Composite payment made on behalf of this entity. Paid by <u>Entity 2</u> FEIN <u>84-8744155</u>	5c	500
d. Total of all payments/credits (add lines 5a through 5c)	5d	1,500
6. Amount to be remitted or (overpayment) (subtract line 5d from line 4)	6	37,357
If paid by check or money order, FORM PTE-V MUST ACCOMPANY PAYMENT. If paid electronically check here <input checked="" type="checkbox"/>		
7a. Overpayment to be credited to 2014 return	7a	
b. Overpayment amount to be refunded	7b	

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

Please Sign Here

Your Signature	Title or Position	Daytime Telephone No.	Date
----------------	-------------------	-----------------------	------

Paid Preparer's Use Only

Preparer's Signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's PTIN
Preparer's Printed Name	E.I. Number		Telephone Number
Firm's Name (or yours, if self-employed) and Address	Email Address		

Make remittance payable to: **Alabama Department of Revenue**
 Write – Form PTE-C, tax year, and FEIN on remittance for verification purposes.
 Include with payment Form PTE-V available at www.revenue.alabama.gov.

Mail to: **Alabama Department of Revenue – PTE**
P.O. Box 327444
Montgomery, AL 36132-7444

Required Entity Information For Partnerships and LLCs

1. List general partners.

NAME OF GENERAL PARTNER	SSN / FEIN	ADDRESS	PERCENT OF OWNERSHIP
a. ● Owner 1			50.00
b. ●			
c. ●			
d. ●			
e. ●			

*Additional information is not a substitute for Schedule K-1.

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

LA, GA, NC, SC

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. ● Owner 3		20.00
b. ●		
c. ●		
d. ●		
e. ●		

Do not attach the original Qualified Investment Partnership (QIP) Certification to this return! The certification must be filed with the annual Form 65 return for the QIP.

5. Person to contact for information regarding this return:

Name: _____

Telephone Number: (_____) _____

Email: _____

SCHEDULE
PTE-CK1



ALABAMA DEPARTMENT OF REVENUE

2013

Entity's FEIN

For the year January 1 - December 31, 2013 or other tax year beginning 6/1, 2013 ending 5/31, 2014

	(A) Non-Resident Owner's/Shareholder's Name, Street Address, City, State, and ZIP	(B) Social Security Number/FEIN	(C) Entity Type	(D) Owner's/ Shareholder's Percentage of Ownership	(E) Owner's/Shareholder's Share of Nonseparately Stated Income + Portfolio Income	(F) Guaranteed Payments	(G) Total Income (Col. E + F)	(H) Owner's/ Shareholder's Share of Tax Due (Col. G X 5%)
1	Owner 1 ● 11 Testing Lane Atlanta, GA		C	50.0000	277,272	111,299	388,571	19,429
2	Owner 2 ● 22 Testing Lane Charleston, NC		I	30.0000	166,363	66,779	233,142	11,657
3	Owner 3 ● 33 Testing Lane New Orleans, LA		P	20.0000	110,909	44,519	155,428	7,771
4	●							
5	●							
6	●							
7	●							
8	●							
9	●							
10	●							
11	●							
12	Totals page 3 [columns (E) through (H)]							38,857
13	Summary totals for additional pages [columns (E) through (H)]							
14	Totals [columns (E) through (G)] (lines 12 + 13)							
14H	Add lines 12 and 13, column (H) and enter here and on page 1, line 1							38,857

IF MORE THAN 11 NON-RESIDENT OWNERS/SHAREHOLDERS, ATTACH ADDITIONAL PAGES AND ENTER SUMMARY TOTALS ON LINE 13 ABOVE.

Form PTE-C, Page 3