

Form: PPT

Test Number: 2

Company Name: Thomas Family Land, LLC

Filing Type: 1 – LLE, Calendar Year, Family LLE

Items for testing:

1. Payment due
2. Family LLE Election checkbox
3. **PLEASE NOTE:** Be sure to use Federal Form Schedule L Balance Sheet for this test return.





1a. FEIN ▶ 1b. LEGAL NAME OF BUSINESS ENTITY THOMAS FAMILY LAND, LLC 1c. DETERMINATION PERIOD END DATE (BALANCE SHEET DATE) (MM/DD/YYYY) 12/31/2013

**PART A – NET WORTH COMPUTATION**

**I. S-Corporations**

1	Issued capital stock and additional paid in capital (without reduction for treasury stock) but not less than zero.	1	●		
2	Retained earnings, but not less than zero, including dividends payable.	2	●		
3	Gross amount of related party debt exceeding the sums of line 1 and 2.	3	●		
4	All payments for compensation, distributions, or similar amounts in excess of \$500,000.	4	●		
5	Total net worth (add lines 1-4). Go to Part B, line 1.	5	●		

**II. Limited Liability Entities (LLE's)**

6	Sum of the partners'/members' capital accounts, but not less than zero	6	●	1,500,000	
7	All compensation, distributions, or similar amounts paid to a partner/member in excess of \$500,000.	7	●	250	
8	Gross amount of related party debt exceeding the amount on line 6.	8	●	100	
9	Total net worth (add lines 6, 7 and 8). Go to Part B, line 1.	9	●		1,500,350

**III. Disregarded Entities**

10 Single Member Name: ● [REDACTED] FEIN/SSN: ● [REDACTED]

11 If a disregarded entity has as its single member a taxpayer that is subject to the privilege tax, then the disregarded entity pays the minimum tax. (Go to Part B, line 19.)

12	Assets minus liabilities for all disregarded entities that have as a single member an entity that is not subject to the privilege tax (supporting documentation required).	12	●		
13	Gross amount of related party debt exceeding the amount on line 12.	13	●		
14	For disregarded entities, all compensation, distributions, or similar amounts paid to a member in excess of \$500,000.	14	●		
15	Total net worth (sum of lines 12, 13 and 14). Go to Part B, line 1.	15	●		

**PART B – PRIVILEGE TAX EXCLUSIONS AND DEDUCTIONS**

**Exclusions (Attach supporting documentation) (See Instructions)**

1	Total net worth from Part A – line 5, 9, or 15.	1	●		1,500,350
2	Book value of the investments by the taxpayer in the equity of other taxpayers.	2	●	5,000	
3	Unamortized portion of goodwill resulting from a direct purchase.	3	●	7,000	
4	Unamortized balance of properly elected post-retirement benefits pursuant to FASB 106.	4	●	100	
5	Total exclusions (sum of lines 2-4).	5	●		12,100
6	Net worth subject to apportionment (line 1 less line 5).	6	●		1,488,250
7	Apportionment factor (see instructions).	7	●	100.0000 %	
8	Total Alabama net worth (multiply line 6 by line 7).	8	●		1,488,250

**Deductions (Attach supporting documentation) (See Instructions)**

9	Net investment in bonds and securities issued by the State of Alabama or political subdivision thereof, when issued prior to January 1, 2000.	9	●		
10	Net investment in all air, ground, or water pollution control devices in Alabama.	10	●		
11	Reserves for reclamation, storage, disposal, decontamination, or retirement associated with a plant, facility, mine or site in Alabama.	11	●		
12	Book value of amount invested in qualifying low income housing projects (see instructions)	12	●		
13	30 percent of federal taxable income apportioned to Alabama, but not less than zero	13	●	7,500	
14	Total deductions (add lines 9-13).	14	●		7,500
15	Taxable Alabama net worth (line 8 less line 14).	15	●		1,480,750
16a	Federal Taxable Income Apportioned to AL.	16a	●	25,000	
16b	Tax rate (see instructions).	16b	●	0.00100	
17	Gross privilege tax calculated (multiply line 15 by line 16b).	17	●		1,481
18	Alabama enterprise zone credit (see instructions).	18	●		
19	Privilege Tax Due (line 17 less line 18) (minimum \$100, for maximum see instructions) Enter also on Form PPT, page 1, line 9, Privilege Tax Due (must be paid by the original due date of the return)	19	●		500

**S-corporations must complete and attach an Alabama Schedule AL-CAR**, and enter \$10 for the corporate annual report fee on line 6, page 1.

Other (noncorporate) pass-through entities, including Limited Liability Entities taxed as corporations, are not required to file an Alabama Schedule AL-CAR or pay the corporate annual report fee.



Alabama Department of Revenue  
**Family Limited Liability Entity Election Form**  
(DISREGARDED ENTITIES DO NOT QUALIFY FOR THE FAMILY LIMITED LIABILITY ENTITY ELECTION)

<b>1a</b> FEIN	<b>1b</b> ELECTING FAMILY LIMITED LIABILITY ENTITY	<b>1c</b> Determination Period End Date (Balance Sheet Date):
▶	THOMAS FAMILY LAND, LLC	12/31/2013 (mm/dd/yyyy)

The following information must be provided in order for this election to be effective.

**PART 1 – 80% OWNERSHIP TEST**

Partners' capital account from Form 1065, Schedule L: ..... \$ 1,500,000

Percentages of partners' capital accounts that are directly or constructively owned by:

Individual: .....	_____ %
Spouse: .....	_____ %
Parents: .....	<u>50.00</u> %
Grandparents: .....	<u>30.00</u> %
Lineal descendants of grandparents: .....	_____ %
<b>Total</b> .....	<b><u>80.00</u></b> %

**PART 2 – TAXPAYER MUST COMPLETE AT LEAST ONE OF THE FOLLOWING.**

(a) **Gross Receipts Test:** 90% or more of the gross receipts of the entity consist of any combination of the following:

(i) Interest .....	_____ %
(ii) Dividends/distributions/payments on stock or securities .....	_____ %
(iii) Rents, license fees or other fees for use of property .....	<u>20.00</u> %
(iv) Receipts from sale or leasing of timber or timberland .....	<u>70.00</u> %
(v) Royalties .....	_____ %
(vi) Annuity payments .....	_____ %
(vii) Proceeds from sale of asset not in ordinary course of business .....	_____ %
<b>Total</b> .....	<b><u>90.00</u></b> %

(b) **Assets Test:** The aggregate adjusted basis of the following assets constitutes at least 90% of the adjusted basis of all of the entity's assets:

(i) Cash or cash equivalents .....	_____ %
(ii) Stocks, bonds, debentures, notes or other securities .....	_____ %
(iii) Timber or timberlands .....	_____ %
(iv) Annuities .....	_____ %
(v) Assets held principally for appreciation and not production of income .....	_____ %
(vi) Mutual funds .....	_____ %
(vii) Assets not used directly in the conduct of the entity's business .....	_____ %
(viii) Royalty interests .....	_____ %
<b>Total</b> .....	<b><u>0.00</u></b> %

This entity is making an election to be an electing family limited liability entity as described in *Code of Alabama 1975, §40-14A-1(h)*. The signature on page 1 of Form PPT or Form BPT-IN is certification that the profits and capital interests of the entity were calculated using the constructive ownership rules of 26 U.S.C. §318, without regard to the 50% limitation contained in 26 U.S.C. §318(a)(2)(C) and 26 U.S.C. §318(a)(3)(C).