

### Form 20S Test 3

#### Form 20S Schedules Tested:

1. Fiscal Year
2. Foreign Address
3. Apportionment Return
4. Schedule A
5. Schedule C
6. Schedule H
7. Schedule K (change to line 15 apportionment factor)
8. Amount due on 20S
9. Schedule PAB

#### K-1 Issues Tested:

1. Test New Entity Types
2. Foreign address
3. Nominee check box
4. 2 resident / 2 non resident
5. New fields on Line J

#### NRA Test Issues:

1. 2 NRAs included in return / fiscal year

#### Revisions:



S Corporation Information/Tax Return

For the year January 1 – December 31, 2014, or other tax year beginning April 01, 2014, ending March 31, 2015

<b>Important</b>  Check applicable box:  <input type="checkbox"/> Initial Return <input type="checkbox"/> Final Return <input type="checkbox"/> Amended Return	FEDERAL BUSINESS CODE NUMBER		FEDERAL EMPLOYER IDENTIFICATION NUMBER		<b>Data Summary</b>  Total federal income  Total federal deductions  Total assets as shown on Form 1120S  Alabama Apportionment Factor from Schedule C, line 27  44.2109	
	NAME					
	ADDRESS					
	CITY		STATE	9-DIGIT ZIP CODE		
	STATE OF INCORPORATION		NATURE OF BUSINESS			DATE QUALIFIED IN ALABAMA
	CHECK IF THE CORPORATION OPERATES IN MORE THAN ONE STATE <input checked="" type="checkbox"/>		NUMBER OF SHAREHOLDERS DURING TAX YEAR 4	NUMBER OF NONRESIDENT SHAREHOLDERS INCLUDED IN COMPOSITE FILING 0		IF YOU FILED A RETURN FOR 2013 AND THE ABOVE NAME OR ADDRESS IS DIFFERENT, CHECK HERE... <input type="checkbox"/>

UNLESS A COPY OF FORM 1120S IS ATTACHED, THIS RETURN IS INCOMPLETE

SCHEDULE A – Computation of Separately Stated and Nonseparately Stated Income / Tax						
	<b>1</b>	Federal Ordinary Income or (Loss) from trade or business activities		<b>1</b>	600,500 00	
Reconciliation to Alabama Basis (see instructions)	<b>2</b>	Net short-term and long-term capital gains – income or (loss)	00			
	<b>3</b>	Salaries and wages reduced for federal employment credits	( ) 00			
	<b>4</b>	State and local net income taxes paid/(refund)	00			
	<b>5</b>	Net income or (loss) from rental real estate activities	(75,000) 00			
	<b>6</b>	Net income or (loss) from other rental activities	00			
	<b>7</b>	Net gain or (loss) under I.R.C. §1231 (other than casualty losses)	00			
	<b>8</b>	Adjustments due to the Federal Economic Stimulus Act of 2008 (attach schedule)	00			
	<b>9</b>	Other reconciliation items (attach schedule)	50,000 00			
	<b>10</b>	Net reconciling items (add lines 2 through 9)	(25,000) 00			
	<b>11</b>	Net Alabama nonseparately stated income or (loss) (add line 1 and line 10)	575,500 00			
Separately Stated Items (Related to Business Income)	<b>12</b>	Contributions	(10,000) 00			
	<b>13</b>	Oil and gas depletion	( ) 00			
	<b>14</b>	I.R.C. §179 expense deduction (complete Schedule K)	( ) 00			
	<b>15</b>	Casualty losses	( ) 00			
	<b>16</b>	Portfolio income less expenses (complete Schedule K)	00			
	<b>17</b>	Other separately stated items (attach schedule)	00			
	<b>18</b>	Net separately stated items (add line 12 through 17)	(10,000) 00			
	<b>19</b>	Total separately stated and nonseparately stated items (add line 11 and line 18)	565,500 00			
<b>20</b>	Nonseparately Stated Income Allocated and Apportioned to Alabama from Schedule E, line 7	254,434 00				
Tax Due, Payments, and Credits	<b>21</b>	ALABAMA INCOME TAX (see instructions and attach schedule)	5,000 00			
	<b>22</b> Tax Payments, Credits, and Deferrals:					
		<b>22a</b>	a. 2014 estimated tax payments and amounts applied from 2013 return	00		
		<b>22b</b>	b. Automatic extension payments (see instructions)	00		
		<b>22c</b>	c. Payments prior to amendment (original return or Department adjustment)	00		
		<b>22d</b>	d. Tax credits (from line 11, Schedule G) (see instructions)	00		
		<b>22e</b>	e. Total payments (add lines 22a, 22b, 22c and 22d)	00		
		<b>23</b>	<b>NET TAX DUE</b> (subtract line 22e from line 21)	00		
		<b>24</b> Reductions/applications of overpayments:				
		<b>24a</b>	a. Penalties (see instructions)	00		
	<b>24b</b>	b. Interest due (computed on tax due only)	00			
	<b>24c</b>	c. Amount to be credited to 2015 estimated tax	00			
	<b>24d</b>	d. Total reductions/applications (add lines 24a, 24b and 24c)	00			
	<b>25</b>	Amount to be refunded (see instructions)	00			
	<b>26</b>	<b>TOTAL AMOUNT DUE</b>	5,000 00			

If paying by check or money order, FORM PTE-V MUST ACCOMPANY PAYMENT.

If you paid electronically check here



**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. Do not complete if 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 ●	1,000	5,000	5,000	10,000
2 Land	2 ●	500	1,000	1,000	1,500
3 Furniture and fixtures	3 ●	100	500	800	900
4 Machinery and equipment	4 ●	750	850	950	1,500
5 Buildings and leasehold improvements	5 ●	15	20	50	85
6 IDB/IRB property (at cost)	6 ●	800	900	10,000	15,000
7 Government property (at FMV)	7 ●				
8 ●	8 ●				
9 Less Construction in progress (if included)	9 ●				
<b>10 Totals</b>	<b>10 ●</b>	<b>3,165</b>	<b>8,270</b>	<b>17,800</b>	<b>28,985</b>
11 Average owned property (BOY + EOY ÷ 2)	11 ●		5,718		23,393
12 Annual rental expense	12 ●	1,000 x 8 =	8,000	5,000 x 8 =	40,000
13 Total average property (add line 11 and line 12)	13a ●		13,718	13b ●	63,393
14 Alabama property factor — 13a ÷ 13b = line 14	14 ●				21.6396 %

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	●		1,500,000		0.0000 %
SALES		ALABAMA		EVERYWHERE	
16 Destination sales	16 ●	8,000			
17 Origin sales	17 ●	9,000			
18 Total gross receipts from sales	18 ●	17,000		20,000	
19 Dividends	19 ●	800		900	
20 Interest	20 ●	150		700	
21 Rents	21 ●	1,500		3,500	
22 Royalties	22 ●	780		890	
23 Gross proceeds from capital and ordinary gains	23 ●	111		222	
24 Other ● (Federal 1120S, line ●)	●				
25 Alabama sales factor — 25a ÷ 25b = line 25c	25a ●	20,341	25b ●	26,212	25c ● 77.6019 %
26 Enter the amount from line 25c	26 ●				77.6019 %
27 Sum of lines 14, 15c, 25c, and 26 ÷ 4 = ALABAMA APPORTIONMENT FACTOR (Enter here and on line 4, Schedule E, page 3)	27 ●				44.2109 %

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



**SCHEDULE D – Apportionment of Federal Income Tax**

1	Enter the federal income tax from Federal Form 1120S	1	●		00
2	Enter the Alabama income from line 7, Schedule E below, if applicable. (If corporation operates exclusively in Alabama, do not complete lines 2-8.)	2	●		00
3	Apportionment of separately stated items <input type="checkbox"/> 3a ● <input type="checkbox"/> 3b x ● % =	3c	●		00
4	Enter in line 3a the amount from line 18, Schedule A Separately stated items allocated to Alabama (line 1h, Column F, Schedule B)	4	●		00
5	Total (add lines 2, 3c and 4)	5	●		00
6	Adjusted total income (add line 19, Schedule A to line 1h, Column E, Schedule B)	6	●		00
7	Federal income tax apportionment factor (line 5 divided by line 6)	7	●		%
8	Federal income tax apportioned to Alabama (multiply line 1 by the percent on line 7)	8	●		00

**SCHEDULE E – Apportionment and Allocation of Income to Alabama**

1	Net Alabama nonseparately stated income or (loss) from line 11, Schedule A	1	●	575,500	00
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	●		00
3	Apportionable income or (loss) (add line 1 and line 2)	3	●	575,500	00
4	Apportionment factor from line 27, Schedule C	4	●	44.2109	%
5	Income or (loss) apportioned to Alabama (multiply amount on line 3 by percent on line 4)	5	●	254,434	00
6	Nonseparately stated income or (loss) allocated to Alabama as nonbusiness income (Column F, line 1d, Schedule B)	6	●		00
7	Nonseparately stated income allocated and apportioned to Alabama (add lines 5 and 6). Also enter this amount on line 2, Schedule D; line 20, Schedule A; and line 1, Schedule K	7	●	254,434	00

**SCHEDULE F – Alabama Accumulated Adjustments Account**

1	Beginning balance (prior year ending balance)	1	●		00
2	Net Alabama nonseparately stated income or (loss) (line 11, Schedule A)	2	●		00
3	Net separately stated items (line 18, Schedule A)	3	●		00
4	Federal income tax deduction (line 1, Schedule D)	4	●		00
5	Separately stated nonbusiness items (line 1h, Column E, Schedule B)	5	●		00
6	Other additions/(reductions) (Do not include tax exempt income and related expenses)	6	●		00
7	Less distributions	7	●		00
8	Ending balance (total appropriate lines)	8	●		00

**SCHEDULE G – Tax Credits (Caution – See Instructions)**

1	Employer Education Tax Credit	1	●		00
2	Coal Credit	2	●		00
3	Capital Credit	3	●		00
4	Credit for Taxes Paid to Foreign Country	4	●		00
5	Heroes for Hire Credit	5	●		00
6	Full Employment Act of 2011 Credit	6	●		00
7	AL New Markets Development Credit	7	●		00
8	Enterprise Zone Credit	8	●		00
9	Irrigation Credit	9	●		00
10	Historic Rehabilitation Credit	10	●		00
11	TOTAL (add lines 1 through 10). Enter here and on line 22d, Schedule A	11	●		00

**SCHEDULE H – The Following Information Must Be Entered For This Return To Be Considered Complete**

- 1 Indicate tax accounting method used: ●  Cash ●  Accrual ●  Other
- 2 Briefly describe your Alabama operations: ● \_\_\_\_\_
- 3 Enter this company's Alabama Withholding Tax Account No.: ● \_\_\_\_\_
- 4 Person to contact for information concerning this return:  
Name ● \_\_\_\_\_  
Telephone Number ● ( \_\_\_\_\_ ) \_\_\_\_\_ Email Address \_\_\_\_\_
- 5 Location of the corporate records: ● \_\_\_\_\_
- 6 Check if an Alabama business privilege tax return was filed for this entity: ●
- 7 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	Apportioned Amount	Enter on Alabama Schedule K-1
1 Alabama nonseparately stated income (Schedule E, line 7) ...			254,434	Part III, Line M
<b>Separately Stated Items:</b>				
2 Contributions .....	10,000	44.2109	4,421	Part III, Line S
3 Oil and gas depletion .....		44.2109		Part III, Line Z
4 I.R.C. §179 expense deduction .....		44.2109		Part III, Line O
5 Casualty losses .....		44.2109		Part III, Line W
6 Portfolio income .....		44.2109		Part III, Line Q
7 Interest expense related to portfolio income .....		44.2109		Part III, Line P
8 Other expenses related to portfolio income (attach schedule) ..		44.2109		Part III, Line R
9 Other separately stated business items (attach explanation) ...		44.2109		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 ...				Part III, Line U
13 U.S. taxes paid (attach explanation) .....		44.2109		Part III, Line V
14 Alabama exempt income (attach explanation) .....		44.2109		Part III, Line AB
<b>Transactions with Owners:</b>				
15 Property distributions to owners .....	565,000	100.0000	565,000	Part III, Line X

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**

Signature of Officer	Date	Daytime Telephone No. ( )	Social Security No. : : : :
Title of Officer			

**Paid Preparer's Use Only**

Preparer's Signature	Check if self-employed <input type="checkbox"/>	Date	Preparer's PTIN : : : :
Firm's Name (or yours if self-employed) and address	Telephone No. • ( )	E.I. No. •	ZIP Code •
Email Address			

## CHECK LIST

HAVE THE FOLLOWING FORMS BEEN ATTACHED TO THE FORM 20S:

- ALABAMA SCHEDULE K-1 (one for each shareholder)
- ALABAMA SCHEDULE NRA (if applicable)
- FEDERAL FORM 1120S (entire form as filed with IRS)
- FEDERAL FORM 1120S PROFORMA (if applicable)
- FORM PTE-V (if applicable)

**Returns without Payments**

**MAIL TO:** Alabama Department of Revenue  
Pass Through Entity  
PO Box 327441  
Montgomery, AL 36132-7441

**Returns with Payments**

**MAIL TO:** Alabama Department of Revenue  
Pass Through Entity  
PO Box 327444  
Montgomery, AL 36132-7444



TAXPAYER NAME: 20S Test 3

TAXPAYER FEIN:

FOR THE TAX PERIOD 04-01, 20 14 through 03-31, 20 15

**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 ● RM 1	RM 2		
2 List the intangible expense amounts paid to the recipient related member. ....	2 ● 10,000	10,000		
3 List the interest expense amounts paid to the recipient related member. ....	3 ●	40,000		
4 Total intangible/interest expenses paid (total lines 2 and 3). ....	4 ● 10,000	50,000		

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

<b>5 Exemption related to §40-18-35(b)(1) and §40-18-24(b):</b>				
a. Jurisdiction(s) where recipient related member income is "subject to tax": .....	5a ●	NY, NC, TX		
b. Amount of Line 4 expense not added back. ....	5b ●	50,000		
c. Recipient related member's corresponding intangible/interest income allocated to jurisdiction. ....	5c ●			
d. Adjusted intangible/interest amount (Line 5b minus Line 5c). ....	5d ●	50,000		
e. Recipient related member's total apportionment percentage in the above jurisdiction(s). ....	5e ●	%	50.0000 %	%
f. Adjusted interest/intangible amount (multiply Line 5d by Line 5e). ....	5f ●	25,000		
g. Add Line 5c and Line 5f. ....	5g ●	25,000		
<b>6 Exemption related to §40-18-35(b)(2), §40-18-35(b)(4), §40-18-24(d) and §40-18-24(f)</b>				
- Amount of Line 4 expense not added back. ....	6 ●			

**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.

<b>7 Exemption related to §40-18-35(b)(3) and §40-18-24(e)</b> - Amount of Line 4 expense not added back. ....	7 ●	10,000		
8 Recipient related member receipts by category:				
a. Intangible receipts. ....	8a ●	10,000		
b. Interest receipts. ....	8b ●			
9 a. ●	9a ●	15,000		
b. ●	9b ●			
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 ●	10,000		
11 Exempt Amount. Enter the greater of Lines 5g, 6, 10a or 10b. ....	11 ●	10,000	25,000	
<b>12 Total Intangible/Interest expenses paid to all related members.</b> (Sum all Line 4 for all related members from all pages.) ....	12	60,000		
<b>13 Total Exempt Amount.</b> (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	35,000		

**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 \_\_\_\_\_



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

2014

- Subchapter K entity
- S corporation
- QIP Indicator

SEE INSTRUCTIONS

- Final K-1
- Amended K-1

Tax year beginning 04/01, 2014 and ending 03/31, 2015

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 20S Test 3 Foreign City, FC	M	76,330 M2
PART II Information About the Owner/Shareholder		100% Alabama - to be reported by Alabama residents	
C	Owner's/Shareholder's identifying number	N	Amount of guaranteed payments to partner to be reported by the partner as Alabama source income (see instructions) N2
D	Owner's/Shareholder's name Owner 1	O	Section 179 expense O2
E	Owner's/Shareholder's street address 300 West Avenue	P	Investment interest expense related to portfolio income P2
F	Owner's/Shareholder's city, state, ZIP code FC	Q	Portfolio income Q2
G	<input type="checkbox"/> General partner or LLC member manager <input type="checkbox"/> Limited partner or other LLC member	R	Other expenses related to portfolio income - do not include interest expense R2
H	What type of entity is this owner/shareholder? <input checked="" type="checkbox"/> I - Individual <input type="checkbox"/> Nominee	S	Charitable contributions 1,326 S2
I	Owner's/Shareholder's percentage of profit and (loss) sharing 35.00%	T	Other separately stated business items (attach schedule) T2
J	Check if owner/shareholder is a nonresident <input checked="" type="checkbox"/> Nonresident If a nonresident, provide state of legal residence: <u>FC</u> Check if the owner is a single member LLC. <input type="checkbox"/> Owner _____ FEIN _____	U	Composite payment made on behalf of owner/shareholder (see instructions)
K	Owner's basis at end of tax year	V	U.S. income taxes paid (see instructions) V2
L	1. Credit for taxes paid to foreign country	W	Casualty losses (see instructions) W2
	2. Heroes for Hire Credit	X	Withdrawals and distributions 565,000
	3. Full Employment Act of 2011	Y	Small business health insurance premiums (attach explanation)
	4. Capital Credit	Z	Oil and gas depletion Z2
	5. AL New Markets Development Credit	AA	Separately stated nonbusiness items (attach schedule)
	6. Enterprise Zone Credit	AB	Alabama Exempt Income (attach explanation) AB2
	7. Irrigation Credit		
	8. Historic Rehabilitation Credit		

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.

# 2014

- Subchapter K entity
- S corporation
- QIP Indicator

Tax year beginning 04/01, 2014 and ending 03/31, 2015

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
<b>A</b> Entity's Federal Employer Identification Number	<b>M</b> Income allocated and apportioned to Alabama 12,722   M2
<b>B</b> Entity's name, address, city, state, and ZIP code 20S Test 3 Foreign City, FC	100% Alabama – to be reported by Alabama residents Nonseparately stated income
<b>PART II Information About the Owner/Shareholder</b>	<b>N</b> Amount of guaranteed payments to partner to be reported by the partner as Alabama source income (see instructions) N2
<b>C</b> Owner's/Shareholder's identifying number	<b>O</b> Section 179 expense O2
<b>D</b> Owner's/Shareholder's name Owner 2	<b>P</b> Investment interest expense related to portfolio income P2
<b>E</b> Owner's/Shareholder's street address 15 Broadway	<b>Q</b> Portfolio income QIP Exempt Income Q2
<b>F</b> Owner's/Shareholder's city, state, ZIP code New York, NY	<b>R</b> Other expenses related to portfolio income – do not include interest expense R2
<b>G</b> <input type="checkbox"/> General partner or LLC member manager <input type="checkbox"/> Limited partner or other LLC member	<b>S</b> Charitable contributions 221   S2
<b>H</b> What type of entity is this owner/shareholder? <input type="checkbox"/> F-Estate <input checked="" type="checkbox"/> Nominee	<b>T</b> Other separately stated business items (attach schedule) T2
<b>I</b> Owner's/Shareholder's percentage of profit and (loss) sharing 5.00%	<b>U</b> Composite payment made on behalf of owner/shareholder (see instructions)
<b>J</b> Check if owner/shareholder is a nonresident <input checked="" type="checkbox"/> Nonresident If a nonresident, provide state of legal residence: <u>NY</u> Check if the owner is a single member LLC. <input type="checkbox"/> Owner _____ FEIN _____	<b>V</b> U.S. income taxes paid (see instructions) V2
<b>K</b> Owner's basis at end of tax year	<b>W</b> Casualty losses (see instructions) W2
<b>L</b> 1. Credit for taxes paid to foreign country	<b>X</b> Withdrawals and distributions
2. Heroes for Hire Credit	<b>Y</b> Small business health insurance premiums (attach explanation)
3. Full Employment Act of 2011	<b>Z</b> Oil and gas depletion Z2
4. Capital Credit	<b>AA</b> Separately stated nonbusiness items (attach schedule)
5. AL New Markets Development Credit	<b>AB</b> Alabama Exempt Income (attach explanation) AB2
6. Enterprise Zone Credit	
7. Irrigation Credit	
8. Historic Rehabilitation Credit	

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.

2014

- Subchapter K entity
- S corporation
- QIP Indicator

SEE INSTRUCTIONS

- Final K-1
- Amended K-1

Tax year beginning 04/01, 2014 and ending 03/31, 2015

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				
<b>A</b> Entity's Federal Employer Identification Number	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50%;">Income allocated and apportioned to Alabama</th> <th style="width: 50%;">100% Alabama – to be reported by Alabama residents</th> </tr> <tr> <td style="vertical-align: top;"> <b>M</b> ● <span style="float: right;">76,330</span> </td> <td style="vertical-align: top;"> <b>M2</b> ● <span style="float: right;">172,650</span> </td> </tr> </table>	Income allocated and apportioned to Alabama	100% Alabama – to be reported by Alabama residents	<b>M</b> ● <span style="float: right;">76,330</span>	<b>M2</b> ● <span style="float: right;">172,650</span>
Income allocated and apportioned to Alabama	100% Alabama – to be reported by Alabama residents				
<b>M</b> ● <span style="float: right;">76,330</span>	<b>M2</b> ● <span style="float: right;">172,650</span>				
<b>B</b> Entity's name, address, city, state, and ZIP code 20S Test 3 Foreign City, FC	<b>N</b> ● <span style="float: right;">N2</span> ●				
<b>C</b> Owner's/Shareholder's identifying number ●	<b>O</b> ● <span style="float: right;">O2</span> ●				
<b>D</b> Owner's/Shareholder's name ● Owner 3	<b>P</b> ● <span style="float: right;">P2</span> ●				
<b>E</b> Owner's/Shareholder's street address ● 1 Madison Avenue	<b>Q</b> ● <span style="float: right;">Q2</span> ●				
<b>F</b> Owner's/Shareholder's city, state, ZIP code ● Montgomery, AL	<b>R</b> ● <span style="float: right;">R2</span> ●				
<b>G</b> ● <input type="checkbox"/> General partner or LLC member manager ● <input type="checkbox"/> Limited partner or other LLC member	<b>S</b> ● <span style="float: right;">1,326</span> <b>S2</b> ● <span style="float: right;">3,000</span>				
<b>H</b> What type of entity is this owner/shareholder? ● F - Trust <input type="checkbox"/> Nominee	<b>T</b> ● <span style="float: right;">T2</span> ●				
<b>I</b> Owner's/Shareholder's percentage of profit and (loss) sharing ● 30.00%	<b>U</b> ●				
<b>J</b> Check if owner/shareholder is a nonresident ● <input type="checkbox"/> Nonresident If a nonresident, provide state of legal residence: _____ Check if the owner is a single member LLC. ● <input type="checkbox"/> Owner _____ ● FEIN _____	<b>V</b> ● <span style="float: right;">V2</span> ●				
<b>K</b> Owner's basis at end of tax year ●	<b>W</b> ● <span style="float: right;">W2</span> ●				
<b>L</b> 1. Credit for taxes paid to foreign country ● 2. Heroes for Hire Credit ● 3. Full Employment Act of 2011 ● 4. Capital Credit ● 5. AL New Markets Development Credit ● 6. Enterprise Zone Credit ● 7. Irrigation Credit ● 8. Historic Rehabilitation Credit ●	<b>X</b> ● <b>Y</b> ● <b>Z</b> ● <span style="float: right;">Z2</span> ● <b>AA</b> ● <b>AB</b> ● <span style="float: right;">AB2</span> ●				

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





ALABAMA DEPARTMENT OF REVENUE  
**Alabama S-Corporation Nonresident Agreement**

For the year January 1 – December 31, 20\_\_\_\_, or other tax year beginning \_\_\_\_\_ 4/1 \_\_\_\_\_ 20 14 \_\_\_\_\_, ending \_\_\_\_\_ 3/31 \_\_\_\_\_ 20 15 \_\_\_\_\_.

SHAREHOLDER SOCIAL SECURITY NUMBER / FEIN	S CORPORATION FEIN
SHAREHOLDER TAX YEAR	CORPORATION TAX YEAR
03/31/2015	03/31/2015
NAME	NAME
Owner 1	20S Test 3
LEGAL RESIDENCE	ADDRESS
300 West Avenue	3 Test Avenue
CITY	CITY
Foreign	New York
STATE OF LEGAL RESIDENCE	STATE
ZIP	ZIP
FC	NY
SHAREHOLDER'S ENTITY TYPE	
I - Individual	

**AGREEMENT**

- (1) I hereby agree that I will timely file a nonresident income tax return with the Alabama Department of Revenue and include therein my pro rata share of the income, loss and deductions of the above named entity for any taxable year in which I am a shareholder and will pay any tax liability due thereon.
- (2) I hereby irrevocably appoint the registered agent of the above entity and any agent or officer of the entity present in Alabama as my agent for service of process of any documents from the Alabama Department of Revenue in connection with my income tax returns or those of the entity, and that I hereby consent to personal jurisdiction by the State of Alabama in connection with my income tax returns or those of the entity. In addition, I hereby appoint the following person or firm in Alabama as agent for service of process: (OPTIONAL)  
  
\_\_\_\_\_  
  
\_\_\_\_\_
- (3) This agreement will be binding upon my heirs, representatives, assignees, successors, executors and administrators.
- (4) I understand this agreement may not be revoked or cancelled after the due date (with extensions) of the entity's Alabama return.

\_\_\_\_\_  
SIGNATURE OF OWNER / SHAREHOLDER TITLE OR STATUS

(If shares are jointly owned, each owner must execute a separate agreement. If held as trustee or custodian, indicate title or status. If executed under power of attorney, so state.)

**A COPY OF THIS FORM MUST BE ATTACHED TO THE ALABAMA FORM 20S RETURN  
EACH YEAR THE AGREEMENT IS IN EFFECT.**



ALABAMA DEPARTMENT OF REVENUE  
**Alabama S-Corporation Nonresident Agreement**

For the year January 1 – December 31, 20\_\_\_\_, or other tax year beginning \_\_\_\_\_ 4/1 \_\_\_\_\_ 20 14 \_\_\_\_\_, ending \_\_\_\_\_ 3/31 \_\_\_\_\_ 20 15 \_\_\_\_\_.

SHAREHOLDER SOCIAL SECURITY NUMBER / FEIN	S CORPORATION FEIN
SHAREHOLDER TAX YEAR	CORPORATION TAX YEAR
03/31/2015	03/31/2015
NAME	NAME
Owner 2	20S Test 3
LEGAL RESIDENCE	ADDRESS
15 Broadway	3 Test Avenue
CITY	CITY
New York	New York
STATE OF LEGAL RESIDENCE	STATE
	ZIP
NY	NY
SHAREHOLDER'S ENTITY TYPE	
F-Estate	

**AGREEMENT**

- (1) I hereby agree that I will timely file a nonresident income tax return with the Alabama Department of Revenue and include therein my pro rata share of the income, loss and deductions of the above named entity for any taxable year in which I am a shareholder and will pay any tax liability due thereon.
- (2) I hereby irrevocably appoint the registered agent of the above entity and any agent or officer of the entity present in Alabama as my agent for service of process of any documents from the Alabama Department of Revenue in connection with my income tax returns or those of the entity, and that I hereby consent to personal jurisdiction by the State of Alabama in connection with my income tax returns or those of the entity. In addition, I hereby appoint the following person or firm in Alabama as agent for service of process: (OPTIONAL)  
  
\_\_\_\_\_  
  
\_\_\_\_\_
- (3) This agreement will be binding upon my heirs, representatives, assignees, successors, executors and administrators.
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\_\_\_\_\_  
SIGNATURE OF OWNER / SHAREHOLDER

\_\_\_\_\_  
TITLE OR STATUS

(If shares are jointly owned, each owner must execute a separate agreement. If held as trustee or custodian, indicate title or status. If executed under power of attorney, so state.)

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