



ALABAMA DEPARTMENT OF REVENUE  
**Family Limited Liability Entity Election Form**

1a FEIN

1b ELECTING FAMILY LIMITED LIABILITY ENTITY

**1c Determination Period End Date  
(Balance Sheet Date):**

\_\_\_\_/\_\_\_\_/\_\_\_\_  
(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: ..... \$ \_\_\_\_\_

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

- Individual: ..... %
- Spouse: ..... %
- Parents: ..... %
- Grandparents: ..... %
- Lineal descendants of grandparents: ..... %
- Total** ..... %

**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 ..... %
- (iv) Receipts from sale or leasing of timber or timberland ..... %
- (v) Royalties ..... %
- (vi) Annuity payments ..... %
- (vii) Proceeds from sale of asset not in ordinary course of business ..... %

**Total** ..... %

(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 ..... %

**Total** ..... %

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). I hereby certify 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):

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_