



ALABAMA DEPARTMENT OF REVENUE
Family Limited Liability Entity Election Form

Electing Family
Limited Liability Entity: _____ Tax Period: _____

FEIN: _____

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: _____