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

**PART 1 – 80% OWNERSHIP TEST (ATTACH SUPPORTING DOCUMENTATION)**

Partners’ capital account from Form 1065, Schedule L: $ ________________

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

- Primary Partner: ____________________________ %
- Spouse: ____________________________ %
- Parents: ____________________________ %
- Grandparents: ____________________________ %
- Lineal descendants of grandparents: ____________________________ %
- Total: ____________________________ %

**PART 2 – TAXPAYER MUST COMPLETE AT LEAST ONE OF THE FOLLOWING. (ATTACH SUPPORTING DOCUMENTATION)**

(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). 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).