FORM
65

[redacted]

Alabama
Department of Revenue

CY ☐ FY ☐ SY ☐ 52/53 Week ☐

2018

Partnership/Limited Liability Company Return of Income

Important!
You Must Check Applicable Box:

- ☐ Amended Return
- ☐ Initial Return
- ☐ Final Return
- ☐ General Partnership
- ☐ Limited Partnership
- ☐ LLC/LLP
- ☐ Qualified Investment Partnership
- ☐ Public Housing Project
- ☐ Publicly Traded
- ☐ Series LLC

For Calendar Year 2018 or Fiscal Year

beginning ________________________________, 2018, and ending ________________________, ________

FEDERAL BUSINESS CODE NUMBER	FEDERAL EMPLOYER IDENTIFICATION NUMBER

Name of Company

Number and Street

City or Town	State	9 Digit ZIP Code

Federal Audit Change . . . . ☐

Check if the company qualifies for the Alabama Enterprise Zone Credit or the Capital Credit. . . . . ☐

Number of Members During The Tax Year. . . . . ______

Filing Status: *(see instructions)*

- ☐ 1. Company operating only in Alabama.
- ☐ 2. Multistate Company – Apportionment **(Sch. C)**.
- ☐ 3. Multistate Company – Separate Accounting (Prior written approval required and must be attached) or Sch. B non-business allocation only.

State in Which Company Was Formed	Nature of Business	Date Qualified in Alabama	Number of Nonresident Members Included in Composite Filing . . .

UNLESS A COPY OF FEDERAL FORM 1065 IS ATTACHED THIS RETURN IS INCOMPLETE

Caution. *Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.*

Federal Income	**1. a.** Gross receipts or sales	1a			
	b. Returns and allowances	1b			
	c. Balance. Subtract line 1b from line 1a			1c	
	2. Cost of goods sold (attach Federal Form 1125-A)			2	
	3. Gross Profit. Subtract line 2 from line 1c			3	
	4. Ordinary income (loss) from other partnerships, estates, and trusts (from Schedule P, line 1d)			4	
	5. Net farm profit (loss) attach Schedule F (Federal Form 1040)			5	
	6. Net gain (loss) from Federal Form 4797, Part II, line 17 (attach Federal Form 4797)			6	
	7. Other income (loss) (attach statement)			7	
	8. Total income (loss). Combine lines 3 through 7			8	
Federal Deduction (see the instructions for limitations)	**9.** Salaries and wages (other than to partners) (less employments credits)			9	
	10. Guaranteed payments to partners			10	
	11. Repairs and maintenance			11	
	12. Bad debts			12	
	13. Rent			13	
	14. Taxes and licenses			14	
	15. Interest			15	
	16. a. Depreciation	16a			
	b. Less depreciation reported on Federal Form 1125-A and elsewhere on return	16b		16c	
	17. Depletion (Do not deduct oil and gas depletion)			17	
	18. Retirement plans, etc.			18	
	19. Employee benefits programs			19	
	20. Other deductions (attach statement)			20	
	21. Total deductions. Add the amounts shown in the far right column for lines 9 through 20			21	

22.	**Federal Ordinary business income (loss).** Subtract line 21 from line 8	22
23.	Alabama nonseparately stated Reconciliations (from Schedule A, line 9)	23
24.	Federal ordinary business income (loss) adjusted to Alabama basis (add lines 22 and 23)	24
25.	Net nonbusiness (income)/loss – Everywhere (from Schedule B, line 1d, Column E) — please enter income as a negative amount and losses as a positive amount	25
26.	Apportionable income (add lines 24 and 25)	26
27.	Alabama apportionment factor (from line 27, Schedule C)	27 %
28.	Income (loss) apportioned to Alabama (multiply line 27 by line 26)	28
29.	Net nonbusiness income/(loss) – Alabama (from Schedule B, line 1d, Column F)	29
30.	Small Business Health Insurance Premium Deduction (see instructions)	30 ( )
31.	Alabama ordinary income (loss) (add lines 28, 29 and 30)	31
32.	Rehabilitation, Preservation and Development of Historic Structures Credit of 2017 (from Schedule PC, Part S, line 6)	32

Will changes line 32 to say Refundable Historic Credit.

ADOR

Mail to: Alabama Department of Revenue, Individual and Corporate Tax Division, P.O. Box 327441, Montgomery, AL 36132-7441

SCHEDULE A (NONSEPARATELY STATED RECONCILIATION ADJUSTMENTS)

Additions	1. Related members interest or intangible expenses or costs. From Schedule PAB (see instructions)	1	●
	2. Nondeductible Federal Depreciation (Economic Stimulus Act of 2008) (see instructions)	2	●
	3. Other reconciling items (attach schedule)	3	●
	4. Total additions	4	●
Deductions	5. Expenses not deductible on federal income tax return due to election to claim federal tax credit	5	●
	6. Adjustments due to the Federal Economic Stimulus Act of 2008 (attach schedule)	6	●
	7. Other reconciling items (attach schedule)	7	●
	8. Total deductions	8	●
	9. Total reconciliation adjustments (subtract line 8 from line 4 above)	9	●

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-.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).*

Do not complete if entity operates exclusively in Alabama.

Keying dots added to Schedule B.

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)
Nonseparately stated items						
1a	●	●	●	●	●	●
1b	●	●	●	●	●	●
1c	●	●	●	●	●	●
1d Total *(add lines 1a, 1b, and 1c)*					●	●
Separately stated items						
1e	●	●	●	●	●	●
1f	●	●	●	●	●	●
1g	●	●	●	●	●	●
1h Total *(add lines 1e, 1f, and 1g)*		●		●	●	●

Person to contact for information regarding this return:

Name: ●

Telephone Number: ● (   )

Email: ●

Please Sign Here

● ☐ 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.

Signature of General Partner	Date	Daytime Telephone No. ( )	Social Security No.

Paid Preparer's Use Only

Preparer's Signature	Date ●	Check if self-employed ☐	● Preparer's PTIN
Firm's name (or yours, if self-employed) and address ● ●	Telephone No. ( )		E.I. No.
			ZIP Code
Email Address			

Add keying dot to Telephone No.,EI No, and Zip Code.

SCHEDULE C

APPORTIONMENT FACTOR SCHEDULE – ***Do not complete if the entity operates exclusively in Alabama.***

TANGIBLE PROPERTY AT COST FOR PRODUCTION OF BUSINESS INCOME		ALABAMA BEGINNING OF YEAR	ALABAMA END OF YEAR	EVERYWHERE BEGINNING OF YEAR	EVERYWHERE END OF YEAR
1. Inventories	1	●	●	●	●
2. Land	2	●	●	●	●
3. Furniture and fixtures	3	●	●	●	●
4. Machinery and equipment	4	●	●	●	●
5. Buildings and leasehold improvements	5	●	●	●	●
6. IDB/IRB property (at cost)	6	●	●	●	●
7. Government property (at FMV)	7	●	●	●	●
8. ●	8	●	●	●	●
9. Less Construction in progress (if included)	9	●	●	●	●
10. Totals	10	●	●	●	●
11. Average owned property (BOY + EOY ÷ 2)	11		●		●
12. Annual rental expense	12	● x8 =	●	● x8 =	●
13. Total average property (add line 11 and line 12)		13a	●	13b	●
14. Alabama property factor — 13a ÷ 13b = line 14				14	● %

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	●	●	● %

SALES		ALABAMA	EVERYWHERE	
16. Destination sales	16	●		
17. Origin sales	17	●		
18. Total gross receipts from sales	18	●	●	
19. Dividends	19	●	●	
20. Interest	20	●	●	
21. Rents	21	●	●	
22. Royalties	22	●	●	
23. Gross proceeds from capital and ordinary gains	23	●	●	
24. Other ●______________________ (Federal 1065, line ●______)	24	●	●	
25. Alabama sales factor — 25a ÷ 25b = line 25c		25a ●	25b ●	25c ● %
26. Enter the amount from line 25c				26 ● %
27. Sum of lines 14, 15c, 25c, and 26 ÷ 4 = **ALABAMA APPORTIONMENT FACTOR** (Enter here and on line 27, page 1)			27	● %

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

SCHEDULE D

Full Ownership List the disregarded entities in which the taxpayer holds full ownership of 100%

Name of Entity	FEIN	Income (Loss) From All Sources	AL Source Income (Loss)
●	●	●	●
●	●	●	●
●	●	●	●
●	●	●	●
●	●	●	●
●	●	●	●
●	●	●	●
●	●	●	●
●	●	●	●
●	●	●	●
●	●	●	●
●	●	●	●

SCHEDULE E — OTHER INFORMATION

1. Enter this company's Alabama Withholding Tax Account Number ● ______
2. Indicate if company has been ● ☐ **(a)** dissolved ● ☐ **(b)** sold ● ☐ **(c)** incorporated
   If company has been dissolved, sold, or incorporated, complete the following:
   Nature of change ______
   Name and address of new company, corporation, or owners ______
3. Check if an Alabama business privilege tax return was filed for this entity ● ☐ Check this box, if entity is exempt from BPT ● ☐
   Enter entity's net worth ______
   If the privilege tax return was filed using a different FEIN, please provide the name and FEIN used to file the return.
   FEIN: ● ______ NAME: ● ______
4. Taxpayer's email address ______
5. At the end of the year:
   a. Did any corporation, partnership, trust, or tax-exempt organization own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership?
   ● ☐ Yes ● ☐ No If Yes, attach schedule of Partners owning 50% or more of the Partnership.
   b. Did any individual or estate own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership?
   ● ☐ Yes ● ☐ No If Yes, attach a schedule of Partners owning 50% or more of the Partnership.
6. At the end of the tax year, did the partnership:
   a. Own directly 50% or more of the total voting power of all classes of stock entitled to vote of any corporation?
   ● ☐ Yes ● ☐ No If Yes, attach a schedule.
   b. Own directly an interest of 50% or more, directly or indirectly, in the profit, loss, or capital in any partnership or in the beneficial interest of a trust?
   ● ☐ Yes ● ☐ No If Yes, attach a schedule.

Multistate entities should not use Schedule K to allocate separately stated income. See instructions for Schedule B.

SCHEDULE K — Partners' Distributive Share Items

Keying dots added to Sch K

Partners' Distributive Share Items		Federal Amount (A)	Apportionment Factor (B)	Apportioned Amount (C)	Enter on Alabama Schedule K-1
INCOME (LOSS)					
1. Alabama Ordinary income (loss) (page 1, line 31)	1			●	Part III, Line G
2. Net rental real estate income (loss) (attach Form 8825)	2	●	●	●	Part III, Line H
3. a. Other gross rental income (loss) — 3a ●					
b. Expenses from other rental activities (attach statement) — 3b ●					
c. Other net rental income (loss). Subtract 3b from line 3a	3c	●	●	●	Part III, Line H
4. Guaranteed payments	4	●	●	●	Part III, Line I
5. Interest income	5	●	●	●	Part III, Line J
6. Dividends	6	●	●	●	Part III, Line J
7. Royalties	7	●	●	●	Part III, Line J
8. Net short-term capital gain (loss)	8	●	●	●	Part III, Line K
9. Net long-term capital gain (loss)	9	●	●	●	Part III, Line K
10. Net section 1231 gain (loss) (attach Form 4797)	10	●	●	●	Part III, Line K
11. Other income (loss)	11	●	●	●	Part III, Line L
12. Nonbusiness items (attach schedule) (Schedule B, Column B, line 1h)	12			●	Part III, Line M
DEDUCTIONS					
13. Section 179 deduction	13	●	●	●	Part III, Line N
14. a. Contributions	14a	●	●	●	Part III, Line O
b. Investment interest expense	14b	●	●	●	Part III, Line P
15. Other deductions	15	●	●	●	Part III, Line Q
16. Oil and gas depletion	16	●	●	●	Part III, Line R
17. Casualty losses	17	●	●	●	Part III, Line S
18. Nonbusiness items (attach schedule) (Schedule B, Column D, line 1h)	18			●	Part III, Line M
OTHER					
19. a. Tax-exempt interest income	19a	●	●	●	Part III, Line T
b. Other tax-exempt income	19b	●	●	●	Part III, Line T
c. Nondeductible expenses	19c	●	●	●	Part III, Line U
20. a. Distributions of cash and marketable securities	20a	●	●	●	Part III, Line V
b. Distributions of other property	20b	●	●	●	Part III, Line V
21. a. Investment income	21a	●	●	●	Part III, Line W
b. Investment expenses	21b	●	●	●	Part III, Line X
c. Other items and amounts (attach statement)	21c	●	●	●	Part III, Line Y
22. Total credits (attach Schedule PC)	22			●	Part II, Line F
23. Composite payment made on behalf of owner	23			●	Part III, Line Z

SCHEDULE P PARTNERSHIPS, TRUSTS, AND ESTATES

(a) Ordinary income or (loss) from Partnerships, Trusts and Estates. **Name and Address**	(b) Check One: Partnership	Estate or Trust	(c) Employer Identification Number	(d) Ordinary Income From All Sources	(e) Ordinary Income From Alabama Sources
•	•	•	•	•	•
•	•	•	•	•	•
•	•	•	•	•	•
•	•	•	•	•	•
•	•	•	•	•	•
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•	•	•	•	•	•
1 **TOTAL INCOME OR (LOSS).** Add the amounts in columns (d) and (e). Enter the total here and include the amount from line 1d on page 1, line 4. . . . . ▶			1	•	•