



Government of the District of Columbia
Office of the Chief Financial Officer
Office of Tax and Revenue

2021

D-65

District of Columbia (DC) Partnership Return of Income Tax Forms and Instructions

MyTax.DC.gov



Simpler. Faster. Safer.

The District allows Corporation Franchise (D-20), Unincorporated Franchise (D-30), Partnership (D-65), and Fiduciary (D-41) taxpayers to file paper returns with attachments using a USB flash drive. Include the following on the flash drive:

- **A signed and dated return;**
- **Any DC schedules you are submitting;**
- **Any federal forms that must accompany the return;**
- **Indicate on the flash drive label, form number, TIN, tax year being filed; and**
- **Images on the flash drive should be in PDF format**



What's New

- **Filing Deadline** - For Tax Year 2021 the filing deadline will be April 18, 2022. The filing deadline for fiscal year filers is the 15th day of the 4th month following the close of your fiscal year.
- **Exclusion of Certain Grants From District Gross Income** - The District has enacted legislation amending D.C. Code § 47-1803.02 to exclude certain grants made by the District from District gross income. See instructions page 2 "Special Filing Circumstances" for guidance on how to report and exclude the amount of these grants from District gross income on your District franchise tax return for tax year 2021.
- **District of Columbia Low-Income Housing Tax Credits** are now available to an entity investing in a DC Qualified Low-Income Housing Development. See instructions, page 3.

Reminder:

- **Modernized e-File (MeF)** - Partnership return filers may now e-file the D-65 Partnership Return of Income through MeF.
- **District of Columbia Opportunity Zone Tax Benefits** are now available to an entity investing in a DC Qualified Opportunity Fund. See instructions, page 2.

INSTRUCTIONS FOR THE D-65 PARTNERSHIP RETURN

Who must file a DC Form D-65?

Except for partnerships required to file an unincorporated business franchise tax return, DC Form D-30, or corporation franchise tax return, DC Form D-20, or an LLC, or publicly traded partnership that filed a federal corporation return, all partnerships engaged in any trade or business in DC or which received income from sources in DC, must file a Form D-65.

The term “partnership” includes a limited partner, group, syndicate, pool and joint venture through or by means of which any business, financial operation, or venture is carried on. The following are excluded by law: 1) a corporation; 2) a trust or estate; or 3) an unincorporated business. The term “partner” includes a member of a syndicate, pool or joint venture.

If the return is filed on behalf of a syndicate, pool, joint venture or similar group, attach to the D-65 a copy of the agreement and all amendments to the agreement.

A limited liability company is classified as a partnership. The only exception is if the IRS has classified it differently. Use the same classification on your DC return as that used on your federal return.

Who must file DC Form D-30 instead of Form D-65?

Every partnership which, during the taxable year, engaged in an “unincorporated business” as defined in paragraph (1) below, and which met the gross income threshold as stated in paragraph (2) below, must file a Form D-30, rather than Form D-65. If Form D-65 is filed instead of Form D-30, attach an explanation to the D-65.

(1)(a) A partnership with gross income of more than \$12,000 which leases real or personal property in DC, regardless of whether services are performed, (including professional partnerships) must file a Form D-30 instead of Form D-65.

(b) “Unincorporated Business”. An unincorporated business is any trade or business, conducted or engaged in by any individual, whether resident or nonresident, statutory or common-law trust, estate, partnership, or limited or special partnership, society, association, executor, administrator, receiver, trustee, liquidator, conservator, committee, assignee, or by any other entity or fiduciary, other than a trade or business conducted or engaged in by any corporation, S corporation, Q-sub, publicly traded partnership or any other form of entity treated as a corporation for District tax purposes. This includes any trade or business which, if conducted or engaged in by a corporation, would be taxable.

(c) Excluded is any trade or business which by law, custom, or ethics, cannot be incorporated or any trade or business deriving more than 80% of its gross income from personal services rendered by owners or members of the partnership or other entity in conducting or carrying on any trade or business in which capital is not a material income-producing factor.

(2) Gross income requirement for filing DC Form D-30. A return must be filed by an unincorporated business if its gross income from engaging in or carrying on any trade or business in DC plus any other gross income received from DC sources amounts to more than \$12,000 during the year, regardless of whether it had net income. For filing purposes, the words “gross income” means gross revenue before deduction of cost of goods, expenses and other deductions allowable in the determination of net income.

NOTE: For District tax purposes, taxpayers are not permitted to claim the 100% federal depreciation per Internal Revenue Code (IRC) 168(k), nor the additional Internal Revenue Code (IRC) Section 179 expenses. Taxpayers should keep a separate depreciation schedule for DC tax purposes.

When is your return due?

You must file your return by:

- Calendar year filer – April 18, 2022; or
- Fiscal year filer – the fifteenth day of the fourth month following the ending of the taxable year you entered at the top of the DC Form D-65.

If the due date falls on a Saturday, Sunday or legal holiday, the return is due the next business day.

If you are requesting an extension of time to file, submit DC Form FR-165, Extension of Time to File a DC Partnership Return, by the due date of your return. Do not use the federal extension of time to file form to request a DC extension.

How to file your return

File your DC Form D-65 with the Office of Tax and Revenue, 1101 4th Street, SW, FL4, Washington, DC 20024.

Sign and date the return. Make a copy for yourself. If submitting the return with attachments, you must submit using a USB flash drive unless you are filing electronically.

Include the following on the flash drive:

- The signed D-65 return;
- Any attachments and/or schedules (federal Form 1065, and Schedule K-1). Include copies of all the schedules and statements accompanying the Form 1065. Also attach a schedule showing the pass-through distribution of income for all members of the partnership, and copies of the completed federal K-1 schedule; and
- Write on the flash drive label, “D-65”, your TIN, and the tax year being filed.

Assembling your D-65 return

Do not staple or otherwise damage the Bar Code located in the upper right hand corner of this form or schedule(s) being attached.

Substitute forms

You may file your DC tax return using a computer-prepared or computer-generated substitute form, provided the form is approved in advance by the Office of Tax and Revenue (OTR). The fact that a software package is available for retail purchase does not mean that the substitute form has been approved for use. Call or check with the software developer to determine if its form is approved by the DC OTR.

By Modernized e-File (MeF)

MeF offers most DC Partnership return filers a full federal/state electronic filing program. There are three ways in which taxpayers can file their federal and District returns together electronically:

1. Through an authorized software provider listed on the Internal Revenue Service (IRS) website;
2. Through a tax practitioner who is an authorized e-File provider; or
3. Through a commercial online filing service. This allows taxpayers to transmit their DC and federal returns from their PC.

Special filing circumstances

Combined Reporting

If the partnership is unitary with a combined group, fill in the "if unitary" oval on page 1 of Form D-65. In addition, provide the designated agent's name and Taxpayer Identification Number (TIN) on page 1 of the form.

Qualified High Technology Companies (QHTC)

If you are a QHTC, fill in the oval on page 1 of the D-65. A partnership claiming QHTC tax benefits must complete the QHTC certification process online via MyTax.DC.gov. For additional information, please see the online publication, FR-399, Qualified High Technology Companies.

DC Ballpark Tax Increment Financing (TIF) Area

If a business entity claiming to be a QHTC is located in the DC Ballpark TIF Area as specified in DC Code §2-1217.12, fill in the "if QHTC located in DC Ballpark TIF Area" oval on page 1 of Form D-65. A business entity located in the DC Ballpark TIF Area cannot receive QHTC tax benefits. See DC Code §47-1817.01(5)(B)(iii).

District of Columbia Opportunity Zone Tax Benefits

The Tax Cuts and Jobs Act of 2017 included a provision called 'Opportunity Zones' which established certain tax benefits for federal taxpayers with capital gains who invest those gains into a Qualified Opportunity Fund (QOF). A QOF is an investment vehicle that files either a partnership or corporation federal income tax return and is organized for the purpose of investing in Qualified Opportunity Zone property. Pursuant to the "Aligning Opportunity Zone Tax Benefits with DC Community Priorities Emergency Act of 2020", the District of Columbia has also acted to establish certain tax benefits for DC taxpayers with capital gains who invest those gains into an approved DC QOF.

The District of Columbia Opportunity Zone Tax Benefits available to a DC taxpayer, if the taxpayer meets certain criteria, are: (1) a deferral of a capital gains tax payment for investing in a QOF; (2) a reduction of capital gains tax liability through a 10% step-up in basis, if invested in a QOF for 5 years prior to December 31, 2026, and an additional 5% step-up in basis, if invested in a QOF for 7 years prior to December 31, 2026; and (3) an abatement of capital gains tax on an investment of capital gains in a QOF for at least 10 years before December 31, 2047.

DC taxpayers seeking the capital gains tax deferral, reduction or abatement at the District level must invest in a QOF that: (1) is a QOF approved by the District of Columbia Government; and (2) has invested at least the value of the taxpayer's investment in the QOF in eligible Qualified Opportunity Zones Businesses (QOZBs) or Qualified Opportunity Zones Business Property (QOZBP) in the District of Columbia.

The District taxpayer investor will need to submit a DC QOF Approval letter issued by the Office of the Deputy Mayor for Planning and Economic Development (DMPED) with their tax returns, along with IRS Forms 8996 and 8997 for the tax year for which the taxpayer is seeking the benefits. The taxpayer must also submit other relating federal forms, if applicable, such as federal forms 8949, 4797, and federal Schedules K-1 and Schedule D, including any other information that OTR may require to administer the benefits.

If you have capital gain deferred on your federal return due to an investment in a Federal Qualified Opportunity Fund, add back the amount of the deferral on Line 7 of the D-65 return.

If you have capital gain deferred due to an investment in a DC approved DC Qualified Opportunity Fund, subtract the amount of the deferral on Line 21 of the D-65 return, provided this amount is also included in Line 7 of the D-65 return.

See DC Code §§ 47-1801.04(39A), (39B), (39C), (39D); and 47-1803.03(a)(20). For more information about the Qualified Opportunity Funds approval process and eligible investments, contact DMPED at DCQOF@dc.gov or (202) 727-6365. To apply for DC approved Opportunity Zone Tax Benefits, visit OZMarketplace.dc.gov.

Exclusion of Certain Grants From District Gross Income

The District of Columbia enacted legislation amending DC Code § 47-1803.02 to exclude the following grants from District gross income:

- Small business loans awarded and subsequently forgiven under § 7A of the Small Business Act (15 U.S.C. § 636m);
- For tax years beginning after December 31, 2020, public health emergency response grants issued pursuant to § 5b of the District of Columbia Public Emergency Act of 1980 (D.C. Official Code § 7-2304.02);
- Public health emergency small business grants awarded pursuant to section 2316 of the Small and Certified Business Enterprise Development and Assistance Act of 2005; (D.C. Law 24-9; 68 DCR 6913);
- Public health emergency grants authorized pursuant to section 16(m)(1) of the Advisory Neighborhood Commissions Act of 1975, effective March 26, 1976 (D.C. Law 1-58; D.C. Official Code § 1-309.13(m)(1)).
- Grants awarded by the Mayor under the COVID-19 Hotel Recovery Grant Program of 2021;
- The following grants awarded by the Office of the Deputy Mayor for Planning and Economic Development (DMPED);
 - I- Grants awarded to Check It Enterprises under § 1-328.4(h)(1)(A);
 - II- Small business grants awarded under § 1-328.04(1);
 - III- Grants to DC Center for LGBT Community awarded under § 1-328.04(m);
 - IV- Large company grants awarded under § 1-328.04(n);
 - V- Local food access grants awarded under § 1-328.04(o);
 - VI- Guaranteed income pilot program grants awarded under § 1-328.04(p);
 - VII- Grants awarded to Community Development Financial Institutions or Minority Depository Institutions awarded under § 1-328.04(q);
 - VIII- Equity growth impact grants awarded under § 1-328.04(r);
 - IX- Great Streets program grants awarded under § 1-328.04(s);
 - X- Bridge Fund recovery and special event support grants awarded under § 1-328.04(t);
 - XI- Small and medium business recovery and growth program grants awarded under § 1-328.04(u);
 - XII- Equity impact enterprise commercial property acquisition grants awarded under § 1-328.04(v).

The amount received by businesses and individuals pursuant to these grants may be subject to federal income tax and included in federal gross income. For Form D-65 Partnership Return of Income: Do not include the amount of the grant on Line 8 of Form D-65. This is the line you would report the amount of the grant if it was taxable by the District. Therefore, Line 7 on your federal Form 1065 (the line for "Other Income") will be different from your Line 8 ("Other Income") on Form D-65. Submit the 1099G showing the amount of the grant.

District of Columbia Low-Income Housing Tax Credit

The federal Low-Income Housing Tax Credit (LIHTC) was established by the Tax Reform Act of 1986 and is a dollar-for-dollar tax credit for federal taxpayers who invest in the construction and rehabilitation of housing for low and moderate-income individuals and families in the United States.

Pursuant to the District of Columbia Low-Income Housing Tax Credit Clarification Amendment Act of 2020 (D.C. Law 23-149, § 7201), the District of Columbia has also acted to establish a low-income housing tax credit for qualified projects located in the District of Columbia. Effective October 1, 2021, a "qualified project" means a rental housing development in the District that receives an allocation of federal low-income housing tax credits under IRC §42(h)(1) or IRC §42(h)(4) after October 1, 2021, and receives an executed extended low-income housing commitment pursuant to IRC §42(h)(6)(B) from the District of Columbia Department of Housing and Community Development (DHCD) dated on or after October 1, 2021.

The District of Columbia low-income housing tax credit (DC-LIHTC) can be taken against income tax, franchise tax, and insurance premium tax. The credit can be claimed equally for 10 years and subtracted from the amount of District tax otherwise due for each taxable period. The credit cannot be taken against any tax that is dedicated in whole or in part to the Healthy DC and Health Care Expansion Fund established by DC Code §31-3514.02.

The credit is not refundable, but any amount of the credit that exceeds the tax due for a taxable year can be carried forward to any of the 10 remaining subsequent taxable years. The owner of a qualified project eligible for the District low-income housing tax credit must submit a copy of the eligibility statement issued by the Department of Housing and Community Development with respect to the qualified project at the time of filing the project owner's DC tax return. If the eligibility statement is not attached, no credit will be allowed with respect to such qualified project for that year until the copy is provided to the Office of Tax and Revenue (OTR).

All or any portion of District low-income tax credits may be transferred, sold, assigned, or allocated to parties who are eligible pursuant to Chapter 48 of Title 47 of the District of Columbia Official Code. There is no limit on the total number of allocations of all or part of the total credit authorized. Collectively, all transfers, sales, assignments, and allocations are subject to the maximum credit allowable to a particular project. A tax credit earned or purchased by or transferred or assigned to, a partnership, limited liability company, S corporation, or other pass-through entity may be allocated to the partners, members, or shareholders in accordance with the provisions of any agreement among the partners, members, or shareholders and without regard to the ownership interest of the partners, members, or shareholders in the qualified project. A partner, member or shareholder to whom a credit is allocated may further allocate all or part of the allocated credit or may transfer, sell or assign the allocated credit. Collectively all transfers, sales, assignments, and allocations are subject to the maximum credit allowable to a particular qualified project.

An owner, transferee, purchaser, assignee, or taxpayer to whom a credit is allocated desiring to make a transfer, sale assignment or allocation must submit to the Chief Financial Officer (CFO) and the Commissioner of the Department of Insurance, Securities, and Banking (Commissioner) a statement that describes the amount of District low-income housing tax credit for which such transfer, sale, assignment, or allocation of District credit is eligible. The owner, transferor, seller, assignor, or taxpayer must provide to the CFO and the Commissioner appropriate information so that the low-income housing tax credit can be properly allocated.

The District low-income housing tax credit can be recaptured if the owner fails to submit a copy of the eligibility statement issued by the Department with respect to the qualified project, including other forms/schedules required by OTR at the time of filing the return, or, if under IRC § 42, a portion of any federal low-income tax credits taken on a low-income qualified project is required to be recaptured. If a recapture is required, any statement submitted to the CFO as required by Code § 47-4806(b) must include the proportion of the credit required to be captured, the identity of each transferee subject to recapture, and the amount of credit previously transferred, sold, assigned, or allocated to such transferee, purchaser, assignee, or taxpayer to whom a credit is allocated.

Except for unused credits carried forward and for credits claimed under regulations promulgated by the Department consistent with the special rule set forth in IRC § 42, a qualified District of Columbia project is not eligible for any District tax credits for more than 11 taxable years.

Claiming the Credit

The DC Low-Income Housing Tax Credit can only be claimed for buildings allocated a credit after October 1, 2021. To claim the DC Low-Income Housing Tax Credit on a District tax return, the owner/transferor/transferee of a project credit must file with the return:

- a copy of the DC LIHTC Eligibility Statement Letter from DHCD; and
- properly executed forms D-8609, D-8609A, D-8609DS.

Failure to attach these documents will result in disallowance of the credit. Do **NOT** submit a claim for any property for which a Federal Form 8609 has not been issued.

See DC Code § 47-4801 through § 4812. For more information about the DC low-income housing tax credit approval process and qualified projects, contact DHCD at (202)442-7200 or visit dhcd.dc.gov.

DC Apportionment Factor

All businesses other than financial institutions engaging in a trade or business both in and outside of DC must use the single sales factor formula to apportion its business income. Businesses domiciled in DC and not subject to tax elsewhere must report 100 percent of their non-business income to DC. Businesses carrying on a trade or business in DC and other jurisdictions must apportion trade or business income to DC. Multiply the total income by a fraction. The numerator is the partnership's total sales in DC during the tax year. The denominator is the partnership's total sales everywhere during the tax year. Sales other than sales of tangible personal property shall be apportioned to the District by using the market-based sourcing rules.

Report the DC apportionment factor on Schedule F, Line 2, page 2 of Form D-65.

Note: DC Apportionment Factor shall not be rounded; however, truncated to six decimal places.

Amended returns

You must use the Form D-65 of the year you are amending. Prior year forms can be obtained from [MyTax.DC.gov](https://mytax.dc.gov). Fill in the 'Amended Return' oval on page 1 of the D-65 and complete the 'Tax Period Ending' box. If the IRS adjusts your federal return or if you file an amended federal return, you must file an amended DC return within 90 days.

Mail the amended return and any attachments to the Office of Tax and Revenue, 1101 4th Street, SW, FL4, Washington, DC 20024.

Final return

If you are not required to continue filing a partnership return for this entity, fill in "the final return" oval on the return. We will then cancel your requirement to file a partnership return.

Items exempt from tax

All items of income received and reported on federal Schedule K (or K-1 if this partnership is a partner in another entity) that is being claimed exempt from District tax must be explained in a statement. Attach the statement and federal Schedule K to your DC Form 65. Some items of this type are:

(1) Tax-Free Interest. Attach a statement reporting interest on:

- (a) obligations of a state, territory of the United States or any political subdivision thereof, or DC; and
- (b) obligations of the United States, its agencies, or instrumentalities.

(2) Proceeds from life insurance policies. In general, the proceeds of life insurance policies paid to the partnership due to the death of a partner are exempt. However, if any part of the proceeds is held by the insurer under an agreement to pay interest, the interest is taxable.

Information at source

Every partnership which in the course of its trade or business, during calendar year 2021, pays (1) interest, rents, commissions, or other fixed or determinable income of \$600 or more, or (2) salaries and wages of \$600 or more, must submit copies of federal Forms 1095 and 1099 unless the payment is specifically exempted by District of Columbia Municipal Regulations (DCMR) Rule 9-111.

No Remittance Due

The D-65 Partnership Return is considered to be an information return which means no remittance is due or should be tendered with the D-65 return, or form FR-165 extension request. If taxes are due as a result of any activity associated with a partnership, then a D-20 (DC Corporation Franchise Tax Return), a D-30 (DC Unincorporated Business Franchise Tax Return), or a D-40 (DC Individual Income Tax Return) with Federal Schedule C, SE, E and/or F, as applicable, must also be filed to report and pay the taxes which are due.

Getting started

Do not cross out the tax year on the 2021 return. If you are not filing a 2021 D-65 Partnership Return, do not use this booklet. Request a booklet for the specific year you are filing by calling our Forms Center at (202) 727-4829, or visit the Customer Service Administration at 1101 4th Street, SW, FL2, Washington, DC 20024. You may also visit our website at [MyTax.DC.gov](https://mytax.dc.gov) for prior year partnership returns.

Use the same method of accounting on your DC Form D-65 as that used on your federal tax return.

To complete the paper Form D-65, in general you will need:

- Copies of your completed 2021 federal forms as applicable (1065, Schedule K, Schedule K-1, and all other supporting schedules, statements or attachments filed with federal form 1065)
- A pen with black ink
- A calculator

Not all items will apply. If an amount is zero, make no entry, leave the line blank.

The return must be filed for calendar year 2021, or other taxable year beginning in 2021, covering the same tax period reported on the return filed with the IRS. Fill in the tax period ending on page 1 as MMDDYYYY.

All entries on the return and attachments are whole dollars only. Do not enter cents. Round cents to the nearest dollar.

Examples:

- \$10,500.50 rounds to \$10,501
- \$10,500.49 rounds to \$10,500

Taxpayer Identification Number (TIN)

You must have a TIN, whether it is a Federal Employer Identification Number (FEIN), Social Security Number (SSN), Individual Taxpayer Identification Number (ITIN) or Preparer Tax Identification Number (PTIN).

- An FEIN is a valid number issued by the IRS. To apply for an FEIN, get Form SS-4, Application for Employer Identification Number, or get this form online at www.irs.gov/businesses and click on Employer Identification Number (EIN) under Starting a Business. You may also get this form by calling 1-800-TAX-FORM (1-800-829-3676).
- An SSN is a valid number issued by the Social Security Administration (SSA) of the United States Government. To apply for an SSN, get form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213.
- An Individual Taxpayer Identification Number (ITIN) is a valid number issued by the Internal Revenue Service (IRS). The IRS issues ITINs to individuals who are required to have a U.S. taxpayer identification number but who do not have, and are not eligible to obtain, a Social Security number (SSN) from the Social Security Administration (SSA). ITINs do not serve any purpose other than federal tax reporting.
- The Preparer Tax Identification Number (PTIN) is an identification number issued by the IRS that all paid tax preparers must use on tax returns or claims for refund.

If you are a paid preparer, you are required to have an IRS PTIN issued by the IRS.

Filling out the form

To aid us in processing your return, please follow these rules:

Do not print outside the boxes.

Use black ink.

Print in CAPITAL letters.

ROBERTS

Leave a space between words and between words and numbers.

8 ELM

Write 3s with a rounded top, not a flat top.

3.7 3.7

Write 7s without a middle bar.

7 7

Fill in ovals completely. Do not "✓" or "x" ovals.

Do not enter cents. Round cents to the nearest dollar.

57204.00

Note: Your taxpayer identification number is used for tax purposes only.

Personal information

Complete the personal information as instructed using **CAPITAL** letters and black ink. Use one block per letter, including using a space between address fields. Please write clearly, otherwise this can delay processing your return.

Third Party Designee

If you want to authorize another person to discuss your 2021 tax return with OTR, fill in the oval in the Third Party Designee block on page 2 of the D-65 and enter the designee's name and phone number. If you want to authorize your paid preparer, enter 'preparer' in the 'third party designee' block.

Filling in the oval gives the designee authorization to:

- Give OTR any information missing from your return;
- Contact OTR for information about processing your return and the status of any refund or payment; and
- Request, receive and/or respond to OTR notices related to your return.

The authorization does not:

- Give the designee the right to receive your refund;
- Bind you to any additional tax liability related to your return; or
- Otherwise represent you before OTR.

This authorization automatically ends on April 15, 2023 (without regard to extensions).

Signature

The return must be signed by a partner or member. If receivers, trustees in bankruptcy, or assignees are in control of the property or business organization, they must sign the return.

When the return is prepared by someone (for compensation) other than a member or an employee of the partnership, they must sign as the preparer at the bottom of page 2 of the DC Form D-65.

Email address

Enter the email address of the person authorized to discuss your 2021 tax return with OTR. This can be the taxpayer, the third party designee, or the paid preparer if you have filled in the oval authorizing the paid preparer to discuss this return with OTR.



Print in CAPITAL letters using black ink.

OFFICIAL USE ONLY Vendor ID # 0000

Taxpayer Identification Number (TIN)

Tax period ending (MMDDYYYY)

Business name

Address line #1

Address line #2

City

State

Zip Code + 4 *You must fill in the Designated Agent info below

Designated Agent Name

Designated Agent TIN

Fill in ☐ if QHTC located in DC Ballpark TIF Area

Fill in ☐ if amended return

Fill in ☐ if final return

Fill in ☐ if Certified QHTC

Fill in ☐ if unitary with a combined group*

INCOME

1 Gross receipts or sales, minus returns and allowances

2 Cost of goods sold and/or operations

3 Gross profit *Line 1 minus Line 2.*

Fill in if minus: ☐

4 Ordinary income (loss) from other partnerships,
estates and trusts, etc.

Fill in if minus: ☐

5 Net farm profit (loss)

Fill in if minus: ☐

6 Net gain (loss)

Fill in if minus: ☐

7 Capital gains deferred on federal return due to investment in
a federal Qualified Opportunity Fund

8 Other income (loss)

Fill in if minus: ☐

9 Total income *Add Lines 3–8*

Fill in if minus: ☐

10 Salaries and wages paid to non partners

11 Payments to partners

12 Repairs and maintenance

13 Bad debts

14 Rent

DEDUCTIONS

15 Taxes and licenses

16 Interest (subject to federal limitations)

17 Depreciation, minus depreciation deducted elsewhere on this return. Do not
include any additional IRC 179 expenses or IRC 168(k) depreciation.*

18 Depletion

19 Retirement plans

20 Employee benefit programs

21 Capital gains deferred due to DC approved investment in a DC Qualified
Opportunity Fund

22 Other deductions

23 Total deductions *Add Lines 10–22*

24 Ordinary income (loss) *Line 9 minus Line 23*

Fill in if minus: ☐

Round cents to nearest dollar. If amount is zero, leave line blank;
if minus, enter amount and fill in oval.

1 \$.00

2 \$.00

3 \$.00

4 \$.00

5 \$.00

6 \$.00

7 \$.00

8 \$.00

9 \$.00

10 \$.00

11 \$.00

12 \$.00

13 \$.00

14 \$.00

15 \$.00

16 \$.00

17 \$.00

18 \$.00

19 \$.00

20 \$.00

21 \$.00

22 \$.00

23 \$.00

24 \$.00

*Attach a copy of your federal Form 4562

Revised 09/2021

Business Name: _____



Taxpayer Identification Number: _____

Schedule F - DC apportionment factor (See instructions.)

Round cents to the nearest dollar. If an amount is zero, leave the line blank.

Carry all factors to six decimal places

1. **SALES FACTOR:** All gross receipts of the partnership other than gross receipts from items of non-business income.

Column 1 TOTAL

Column 2 in DC

DC Apportionment Factor

(Column 2 divided by Column 1)

\$ _____ .00 \$ _____ .00

2. **DC APPORTIONMENT FACTOR:** Column 2 divided by Column 1.

. _____

A. Date entity was organized (MMYY) _____

B. Fill in your accounting method ☐ cash ☐ accrual ☐ other (specify) _____

C. Number of partners in this partnership _____

D. Is this a limited partnership? ☐ YES ☐ NOE. Is this a limited liability company? ☐ YES ☐ NOF. Are any partners in this partnership also partnerships or corporate entities? ☐ YES ☐ NOG. Is this partnership a partner in another partnership? ☐ YES ☐ NOH. Was there a distribution or transfer of property that caused an adjustment of the basis of the partnership's assets under IRC Section 754? ☐ YES ☐ NOI. Was a D-65 filed for the preceding year? ☐ YES ☐ NOJ. Was a 2021 DC unincorporated business franchise tax return (Form D-30) filed for this business? If "YES," enter the name under which the return was filed. ☐ YES ☐ NOK. Did you file and pay an annual ballpark fee return? ☐ YES ☐ NOL. Have you filed annual federal income tax information return Forms 1099 and 1096? ☐ YES ☐ NOM. Did you withhold DC income tax from the wages of your DC employees during 2021? ☐ YES ☐ NO

If "NO," state reason: _____

N. During 2021, has the IRS made or proposed any adjustments to your federal partnership Form 1065, or did you file amended returns with the IRS? ☐ YES ☐ NO

If "YES," submit a separate, detailed explanation and an amended D-65 return reflecting the adjustments to: Office of Tax and Revenue, 1101 4th Street, SW, FL4, Washington DC 20024.

- Attach a copy of the Form 1065 with the K-1 and any other schedules you filed.
- Attach a schedule showing the pass-through distribution of income to all members of the partnership.
- If you are filing Form D-65, instead of Form D-30, attach an explanation.

Third party designee To authorize another person to discuss this return with OTR, fill in here ☐ and enter the name and phone number of that person. See instructions.

Designee's name _____

Phone number _____

PLEASE
SIGN
HERE

Under penalties of law, I declare that I have examined this return and, to the best of my knowledge, it is correct. Declaration of paid preparer is based on all information available to the preparer.

Partner or member's signature _____

Date _____

Telephone number of person to contactPAID
PREPARER
ONLY

Preparer's signature (if other than taxpayer) _____

Date _____

Paid Preparer's Tax Identification Number (PTIN)

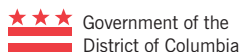
Firm name _____

Firm address _____

If you want to allow the paid preparer to discuss this return with the Office of Tax and Revenue fill in the oval. ☐

Email Address _____

Detach at perforation and mail the voucher to the Office of Tax and Revenue. (See addresses on back)



2021 FR-165 Extension of Time
to File a DC
Partnership Return



Important: Print in CAPITAL letters using black ink.

KEEP FOR YOUR RECORDS

Taxpayer Identification Number (TIN)

Tax period ending (MMDDYYYY)

OFFICIAL USE ONLY
Vendor ID# 0000

Business Name or Designated Agent name

Fill in ☐ if Living or Traveling Outside the U.S.

Business mailing address (number, street and suite/apartment number if applicable)

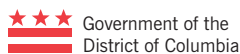
City

State

Zip Code +4

A 6 month extension of time to file until _____ 15, 2022, for calendar year 2021, or until _____, _____, for fiscal year ending _____, is requested.

Revised 09/2021



2021 FR-165 Extension of Time
to File a DC
Partnership Return



Important: Print in CAPITAL letters using black ink.

Taxpayer Identification Number (TIN)

Tax period ending (MMDDYYYY)

OFFICIAL USE ONLY
Vendor ID# 0000

Business Name or Designated Agent name

Fill in ☐ if Living or Traveling Outside the U.S.

Business mailing address (number, street and suite/apartment number if applicable)

City

State

Zip Code +4

A 6 month extension of time to file until _____ 15, 2022, for calendar year 2021, or until _____, _____, for fiscal year ending _____, is requested.

Revised 09/2021

Instructions for Form FR-165

(Partnership)

Do not send any payment with this form.

Purpose

Use Form FR-165 to request a 6-month extension of time to file a Partnership Return of Income (Form D-65).

When to file

The request for an extension of time to file must be submitted no later than the due date of the return.

Where to submit your request

Mail the completed FR-165 to:
Office of Tax and Revenue, 1101 4th Street, SW, FL4, Washington, DC 20024

Extension of time to file

A 6-month extension of time to file will be allowed if you complete this form properly, and file it on time. When you file your return (D-65), attach a copy of the FR-165 which you filed. A separate extension request must be filed for each return. Blanket requests for extensions will not be accepted.

Federal extension forms

The Office of Tax and Revenue does not accept the federal application for an extension of time to file. **You must use DC Form FR-165.**

Additional extension of time

No additional extension of time to file will be granted beyond the 6-month extension unless the taxpayer is outside the continental limits of the United States. In that case, an additional extension up to 6 months may be granted, but in no case shall such extension be granted for more than one year.

2021 **D-8609 District of Columbia**
Low-Income Housing Tax Credit
Allocation and Certification



Important: Print in CAPITAL letters using black ink.

OFFICIAL USE ONLY
Vendor ID#0000

**This Section to be
completed by DHCD**

Part IA. Credit

1. Building Address

2a. Building Owner Name

b. Building Owner Address

3. Building Owner TIN

4. Federal Building Identification Number

DC-

5. Maximum Allowable DC LIHTC Amount*

6. Date of Allocation

7. Date Building Placed in Service

Signature of Authorized DHCD Official

Date

*The amount for each year of the 10-year credit period

Ownership Entity

Part IB. Owner Certification

Under penalties of perjury, I declare that: (1) the above building continues to qualify as a part of a qualified low-income housing development and meets the requirements of Internal Revenue Code Section 42(g) and DC Code §47-4801 and (2) the qualified basis of the building (check one) ___ has ___ has not decreased for this tax year. I have examined this form, and to the best of my knowledge and belief, it is true, correct and complete.

Signature

Taxpayer ID Number

Date

Name (please type or print)


Credit Recipient
Part II. Credit Recipient Information

 1. Taxpayer Entity

 2. Taxpayer's Entity TIN

 3. Taxpayer's Address

 4. Partner is a ☐ General Partner ☐ Limited Partner ☐ Limited Liability Company Member

 5. Partner type is an ☐ Individual ☐ Corporation ☐ Partnership

6. Taxpayer's percentage of Federal Low-Income Housing Tax Credit _____%

7. Taxpayer's percentage of DC Low-Income Housing Tax Credit _____%

Each partnership or other entity involved in marketing DC Low-Income Housing Tax Credits must attach an assignment letter.

**Taxpayer or Shareholder
Claiming the Credit**
Part III. Instructions:

In the schedule below, each shareholder, partner or member who receives a proportionate share of the DC Low-Income Housing Tax Credit should list the amount claimed/earned each year. Then complete the following lines to arrive at the credit to be claimed on their tax return. This form will be used to show your credits earned and used and will be filed with shareholders' income tax return or insurance premium tax return.

The letters TIN appear at certain points on this form and mean taxpayer identification number. The NAIC company code is a five-digit code that is assigned to an insurance company by the National Association of Insurance Commissioners (NAIC).

The DC Low-Income Housing Tax Credit can only be claimed for buildings allocated a credit after October 1, 2021. For the purposes of the DC Low-Income Housing Tax Credit, transfers of ownership of the credit do not trigger recapture. However, in case of a transfer, the Chief Financial Officer and/or the Commissioner of Insurance must be notified. Both the transferor, on the return following the transfer, and the transferee, on tax returns claiming the credit should check the box indicating transfer below. There is a ten year carry forward of unused tax credits.



Name of Taxpayer _____ OTR Certificate No. _____

TIN# of Taxpayer/Shareholder _____ NAIC Company Code of Taxpayer/Shareholder _____

Tax Year	FYE 20____	FYE 20____	FYE 20____	FYE 20____	FYE 20____
Credit Amount					
Unused Carryforward					
Total Available Credit					
DC Tax Liability					
Current Year Credit Allowed					
Unused DC Low-Income Housing Tax Credit					
Recaptured Credit					

____ Check if Transfer has occurred (this does not apply to insurance companies).

To add additional tax years use chart on page 4.

For Insurance Companies Only:

"I give (my) permission to the Commissioner of the Department of Insurance, Securities, and Banking to share the information contained herein with the District of Columbia Office of Tax and Revenue, Department of Housing and Community Development, or other government agencies as necessary to verify and process the requested tax credit."

Signature

Print Name

Date

Attach the following documentation when filing the DC Income Tax Return or Insurance Premium Tax Return where the credit is claimed:

- A properly executed Form D-8609, Part II and Part III, reflecting the total amount of credit claimed;
- Forms D-8609A and D-8609DS indicating the amount of State credit allocated or transferred, sold or assigned; and
- A schedule that includes each property for which a credit is claimed with a building-by-building allocation.

Failure to attach these documents will result in disallowance of the credit.

NOTE: Do NOT submit a claim for credit for any property for which a Federal Form 8609 has not been issued. Estimates will not be accepted.



Name of Taxpayer _____ OTR Certificate No. _____

TIN# of Taxpayer/Shareholder _____ NAIC Company Code of Taxpayer/Shareholder _____

Tax Year	FYE 20__	FYE 20__	FYE 20__	FYE 20__
Credit Amount				
Unused Carryforward				
Total Available Credit				
DC Tax Liability				
Current Year Credit Allowed				
Unused DC Low-Income Housing Tax Credit				
Recaptured Credit				

_____ Check if Transfer has occurred (this does not apply to insurance companies).

For Insurance Companies Only:

"I give (my) permission to the Commissioner of the Department of Insurance, Securities, and Banking to share the information contained herein with the District of Columbia Office of Tax and Revenue, Department of Housing and Community Development, or other government agencies as necessary to verify and process the requested tax credit."

Signature

Print Name

Date

Attach the following documentation when filing the DC Income Tax Return or Insurance Premium Tax Return where the credit is claimed:

- A properly executed Form D-8609, Part II and Part III, reflecting the total amount of credit claimed;
- Forms D-8609A and D-8609DS indicating the amount of State credit allocated, or transferred, sold or assigned; and
- A schedule that includes each property for which a credit is claimed with a building-by-building allocation.

Failure to attach these documents will result in disallowance of the credit.

NOTE: Do NOT submit a claim for credit for any property for which a Federal Form 8609 has not been issued. Estimates will not be accepted.

**Reporting Form for the Allocation,
Transfer, Sale or Assignment of
Low-Income Housing Tax Credit**



OFFICIAL USE ONLY
Vendor ID#0000

Important: Print in CAPITAL letters using black ink.

For calendar year 2021 or taxable year beginning

and ending

Select One:

___ 1. You are filing this report as the person/entity ("Transferor") who originally generated the credit.

-or-

___ 2. You are filing this report as the person/entity to whom a credit was allotted or transferred, and who is allocating or transferring any portion of such credit to another person/entity. If you selected #2, enter the name and FEIN/SSN/NAIC company code number of the person/entity who allocated or transferred the credit to you.

Name	FEIN/SSN/NAIC company code
------	----------------------------

Name of project	Federal Building Identification number
-----------------	--

Street address			
----------------	--	--	--

City	State	Zip Code + 4	Phone number
------	-------	--------------	--------------

Name of project owner	Taxpayer Identification number	NAIC company code
-----------------------	--------------------------------	-------------------

Street address			
----------------	--	--	--

City	State	Zip Code + 4	Phone number
------	-------	--------------	--------------

Name of recipient	Taxpayer Identification number	NAIC company code
-------------------	--------------------------------	-------------------

Street address			
----------------	--	--	--

City	State	Zip Code + 4	Phone number
------	-------	--------------	--------------

Name of transferor (if different than project owner)	Taxpayer Identification number	NAIC company code
--	--------------------------------	-------------------

Street address			
----------------	--	--	--

City	State	Zip Code + 4	Phone number
------	-------	--------------	--------------

Taxpayer's credit share

This statement is issued by the owner/transferor of a project that is eligible to claim the District of Columbia Low-Income Housing Tax Credit (LIHTC) to each recipient to whom the owner/transferor has allocated or has transferred, sold or assigned all or a portion of the LIHTC in accordance with the organizational documents governing the owner/transferor. The recipient should enter the amount of the credit being received from the project on the LIHTC line of the appropriate tax return and file a copy with the return. Retain this statement with your records.

Allotment information

1. Amount of credit allocated 1. _____

-or-

2. Amount of credit transferred, sold or assigned 2. _____

Owner/Transferor

Taxpayer ID Number

Date

Instructions for D-8609A Reporting Form for the Allocation, Transfer, Sale or Assignment of Low-Income Housing Tax Credit

Use this form to report a transfer, sale, assignment, or allocation of Low-Income Housing Tax Credits.

All or any portion of credits issued in accordance with the provisions of the District of Columbia Low-Income Housing Tax Credit Program may be transferred, sold, or assigned to another taxpayer. There is no limit on the total number of transactions for the transfer, sale or assignment of all or part of the total credit authorized by the Program. Collectively, all transfers, sales, assignments, and allocations, are subject to the maximum credit allowable to a particular qualified project.

A tax credit earned or purchased by, transferred or assigned to, a partnership, limited liability company, S corporation or other pass-through entity may be allocated to the partners, members, or shareholders of that entity in accordance with the provisions of any agreement among the partners, members, or shareholders and without regard to the ownership interest of the partners, members, or shareholders in the qualified project. A partner, member or shareholder to whom a tax credit is allocated may further allocate all or part of the allocated credit or may transfer, sell, or assign the allocated credit. There is no limit on the total number of allocations of all or part of the total credit, however, collectively, all transfers, sales, assignments, and allocations made, are subject to the maximum credit allowable to a particular project.

An owner, transferee, purchaser, assignee, or taxpayer to whom a tax credit is allocated, desiring to make a transfer, sale, assignment, or allocation to another transferee, purchaser, assignee or taxpayer, must submit to the Office of Tax and Revenue, and the Commissioner of the Department of Insurance, Securities, and Banking, Form D-8609A along with other prescribed forms and statements, so that the low-income housing tax credit can be properly allocated.

In the first section of the form, select whether you are filing this report as the person/entity who originally generated the credit, or as the person/entity to whom a credit is allocated or transferred, and who is allocating or transferring any portion of such credit to another person/entity. If you selected #2, enter the name and FEIN/SSN/NAIC company code number of the person/entity who allocated or transferred the credit to you.

Enter the name of the project, address and BIN number.

Enter the name, address, telephone number, TIN and NAIC company code (if applicable) of the project owner.

Enter the name, TIN, address, telephone number and NAIC company code (if applicable) of the taxpayer recipient of the credit allocated.

If the transferor of a credit is not the original project owner, enter the name, address, telephone number, TIN, and NAIC company code (if applicable) of the transferor.

Under "Allotment information" report the amount of the credit either (1) allocated, or (2) transferred, sold, or assigned to the recipient.

NOTE: The original project owner must submit a D-8609 with its tax return filed for the first year of the credit period. Attach a copy of the DC LIHTC Eligibility Statement Letter. Copies of the D-8609 should be provided to all transferees of the credit.

Transferors and recipients must each file a copy of Form D-8609 Part I, properly executed Form D-8609 Part II and Part III, Form D-8609A, and Form D-8609DS, if applicable, with their respective tax returns.

**Low-Income Housing Tax Credit
Distribution Schedule**



OFFICIAL USE ONLY
Vendor ID#0000

Important: Print in CAPITAL letters using black ink.

For calendar year 2021 or taxable year beginning and ending

Select One:

- ___ 1. You are filing this report as the person/entity ("Transferor") who originally generated the credit.
 -or-
 ___ 2. You are filing this report as the person/entity to whom a credit was allotted or transferred, and who is allocating or transferring any portion of such credit to another person/entity. If you selected #2, enter the name and FEIN/SSN/NAIC company code number of the person/entity who allocated or transferred the credit to you.

Name		FEIN/SSN/NAIC company code	
Name of project owner/transferor		Taxpayer Identification number	NAIC company code
Street address			
City	State	Zip Code + 4	Phone number
Name of project		Federal Building Identification number	OTR Certificate number
Street address			
City	State	Zip Code + 4	Phone number

Distribution information

1. Maximum Allowable DC LIHTC Amount for this Project: _____
 2. Total Amount of Credit Available to Owner/Transferor for Distribution: _____

Name of recipient	TIN#/NAIC company code	Amount of credit allocated	Amount of credit transferred, sold or assigned.

3. Total amount of credit allocated. _____
 4. Total amount of credit transferred, sold or assigned. _____
 5. Amount of credit retained by owner/transferor. _____

Add additional sheets
if necessary.

Owner/Transferor	Taxpayer ID Number	Date
------------------	--------------------	------

Instructions for D-8609DS Low-Income Housing Tax Credit Distribution Schedule

Use this form to report the identity of each transferee, purchaser, assignee, or party to whom a credit is allocated, or transferred, and the amount of credit allocated or transferred to such transferee, purchaser, assignee, or party.

Pursuant to DC Code § 47-4806(b), the owner, transferor, seller, assignor, or taxpayer who is allocating the DC low-income housing tax credit ("transferor") must provide to the Chief Financial Officer and the Commissioner of the Department of Insurance, Securities, and Banking appropriate information so that the low-income housing tax credit can be properly allocated. There is no limit on the total number of transactions for the transfer, sale, or assignment of all or part of the total credit that is authorized, however, collectively, all transfers, sales, assignments, and allocations, are subject to the maximum credit allowable to a particular qualified project.

If under § 42 of the 1986 Internal Revenue Code, as amended and in effect for the taxable year, a portion of any federal low-income housing tax credits taken on a low-income qualified project is required to be recaptured, the District of Columbia low-income housing tax credit authorized with respect to such qualified District of Columbia project shall also be recaptured by the Office of Chief Financial Officer or Commissioner of Insurance Securities and Banking. The District of Columbia recapture amount shall be equal to the amount of the District of Columbia low-income housing tax credits previously claimed times a fraction, the numerator of which shall be the amount of recaptured federal low-income housing tax credits and the denominator of which shall be the amount of federal low-income housing tax credits previously claimed.

If the recapture of District of Columbia low-income housing tax credit is required, any statement submitted to the Chief Financial Officer and the Commissioner must include: (1) the proportion of the District of Columbia credit required to be recaptured; (2) the identity of each transferee, purchaser, assignee, or party to whom a credit is allocated subject to the recapture; and (3) the amount of credit previously allocated to such transferee, purchaser, assignee, or party to whom the credit is allocated.

In the first section of the form, select whether you are filing this report as the person/entity who originally generated the credit, or as the person/entity to whom a credit is allocated or transferred, and who is allocating or transferring any portion of such credit to another person/entity. If you selected #2, enter the name and FEIN/SSN/NAIC company code number of the person/entity who allocated or transferred the credit to you.

Enter the name, TIN, address, telephone number and NAIC company code of the project owner/transferor.

Enter the name of the project, address, and BIN Number for the project.

Line 1, enter the yearly maximum allowable DC LIHTC amount for the project.

Line 2, enter the total amount of credit available to the owner/transferor for distribution.

Enter the name, TIN and NAIC company code (if applicable) of each recipient and the amount of credit either (1) allocated, or (2) transferred, sold or assigned. The transferor must issue a Form D-8609A to each credit recipient.

Line 3, enter the total amount of credit allocated to all recipients.

Line 4, enter the total amount of credit transferred, sold or assigned to all recipients.

Line 5, enter the amount of credit retained by the owner/transferor, if any.

Transferors must file this Form D-8609DS with their respective tax returns.



Key Website Resources

DC Official Code

www.lexisnexis.com/hottopics/dccode/

DC Regulations

www.dcregs.dc.gov/

US Department of State Tax Exemption Cards

www.state.gov/ofm/tax/

DC Tax Forms/Publications

MyTax.DC.gov

Mailing Address for Returns

MyTax.DC.gov

Electronic Funds Transfer (EFT) Guide

MyTax.DC.gov

NACHA Guidelines

www.nacha.org/

Social Security Administration

www.ssa.gov/

Internal Revenue Service

www.irs.gov

Need assistance?

File or pay online: MyTax.DC.gov.

Get tax forms

Download forms at MyTax.DC.gov.

Request forms by mail: 202-727-4829

Pick up forms:

Office of Tax and Revenue

1101 4th St SW 2nd Floor
8:15 am–5:30 pm

Ask tax questions

Visit our Walk-In Center, 1101 4th St SW 2nd Floor; or
Contact our Customer Service Administration: 202-727-4TAX(4829)

Regular hours

8:15 am–5:30 pm
Monday–Friday

Do you need help with this form?

Visit our Walk-In Center, at 1101 4th St SW 2nd Floor.

Are you unable to hear or speak?

Call the DC Relay Service,
202-727-3363.

[Spanish] Si necesita ayuda en Español, por favor llame al **(202) 727-4829** para proporcionarle un intérprete **de manera gratuita**.

[Vietnamese] Nếu quý vị cần giúp đỡ về tiếng Việt, xin gọi **(202) 727-4829** để chúng tôi thu xếp có thông dịch viên đến giúp quý vị **miễn phí**.

[French] Si vous avez besoin d'aide en Français appelez-le **(202) 727-4829** et l'assistance d'un interprète vous sera **fournie gratuitement**.

[Amharic] በአማርኛ አርዳታ ከፈለጉ በ **(202) 727-4829** ይደውሉ። የጎንደር አስተርጓሚ ይመደብዎታል።

[Korean] 한국어로 언어 지원이 필요한 경우 **(202) 727-4829** 로 연락을 주시면 **무료로** 통역이 제공됩니다.

[Chinese] 如果您需要用(中文)接受幫助，請電洽 **(202) 727-4829** 將**免費**向您提供口譯員服務。