



Alabama Department of Revenue
Family Limited Liability Entity Election Form
(DISREGARDED ENTITIES DO NOT QUALIFY FOR THE FAMILY LIMITED LIABILITY ENTITY ELECTION)

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 (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).