

PREPARING 1065 RETURNS

The tax application provides a large number of default return and print options enabling you to customize your 1065 tax return preparation.

You can enter common partner information which applies to all partners, or enter information on a partner-by-partner basis.

You can set up special allocation codes to further customize your return processing.

TOPICS

- [General Information \(page 2\)](#)
- [Partner Information \(page 12\)](#)
- [Special Allocations and Transfers \(page 18\)](#)
- [Income and Deductions \(page 23\)](#)
- [Schedule K \(page 25\)](#)
- [Activity Information \(page 27\)](#)
- [Balance Sheet/Reconciliation \(page 29\)](#)
- [State Returns \(page 32\)](#)
- [Reviewing Partner Data \(page 34\)](#)
- [Reconciliation \(page 36\)](#)

GENERAL INFORMATION

The **General Information** folder is where you enter basic return data and select your default return and print options. Click the **Basic Return Information** item on the navigation tree and select the **Entity Information** tab.

The screenshot displays a software interface for preparing 1065 returns. On the left is a navigation tree with a 'Collapse All' button. The 'General Information' folder is expanded, and 'Basic Return Information' is highlighted with a red rectangle. Other items in the tree include 'Return and Print Options', 'Questions', 'Paid Preparer/ERO Information', 'Bank Information', 'Tax Defaults', 'Federal E-file', 'Federal E-file Extension', 'Partner Information', 'Amended Return', 'Ordinary Income and Deductions', 'Sch K', and 'Activity Information'. The main area on the right has two tabs: 'Entity Information' (selected) and 'Return Information'. The 'Entity Information' tab contains a 'HELP' button, 'QuickTrack', and 'Business Codes' links. Below these are two sections: 'ENTITY INFORMATION' and 'ADDRESS'. The 'ENTITY INFORMATION' section includes fields for 'Name' (Overland Finance), 'Name (cont'd)', 'In care of', 'EIN' (12-3456789), and checkboxes for 'Name change' and 'Applied for'. The 'ADDRESS' section includes fields for 'Address' (1048 Main St.), 'Address (cont'd) (Print only)', 'City' (Dallas), 'State' (TX - Texas), 'ZIP' (78123), and 'Phone (Mandatory)' (214-1234567).

Figure 1

Scroll down the **Entity Information** screen to enter business activity information, including the Partnership type (from the drop-down list), fiscal year dates, and number of partners. The fiscal-year dates print on Form 1065. These dates are also used to correctly compute gains and losses, depreciation, and so forth.

QuickTrack

Business Codes

ENTITY INFORMATION

Name.....Overland Finance

Name (cont'd).....

In care of.....

☐ Name change

EIN.....12-3456789

☐ Applied for

ADDRESS

Address.....1048 Main St.

Address (cont'd) (Print only).....

City.....Dallas

State.....TX - Texas

ZIP.....78123

Phone (Mandatory).....214-1234567

☐ Address change

OR

Foreign

Address.....

Address (cont'd) (Print only).....

City.....

Province.....

Country.....(None selected)

Postal code.....

Figure 2

| ENTITY TYPE | | |
|--|-------------------------|---|
| Partnership type..... | Automatic | ▼ |
| Other..... | | |
| Entity type (1065 only)..... | Single Entity (Default) | ▼ |
| <input type="checkbox"/> Enable Form 1065-B instead of Form 1065 | | |

| DATES | | |
|----------------------------|------------|----------|
| Date business started..... | MM/DD/YYYY | Pre-1900 |
| Fiscal year beginning..... | MM/DD/YYYY | |
| Fiscal year ending..... | MM/DD/YYYY | |

| BUSINESS ACTIVITY | | |
|----------------------------------|--|--|
| Principal business code..... | | |
| Principal business activity..... | | |
| Product or service..... | | |

| NUMBER OF PARTNERS | | |
|---|--|--|
| Number of partners in partnership (Override)..... | | |

Figure 3

Select the **Partnership type** from drop-down list. *Automatic* is the default. You can also answer questions about the partnership here. These answers will print on Form 1065.

| ENTITY TYPE | | |
|--|---|--|
| Partnership type..... | <div style="border: 2px solid red; padding: 5px;"> Automatic Domestic general partnership Domestic limited partnership Domestic limited liability company Domestic limited liability partnership Foreign partnership Other </div> | |
| Other..... | | |
| Entity type (1065 only)..... | | |
| <input type="checkbox"/> Enable Form 1065-B instead of Form 1065 | | |

| DATES | | |
|----------------------------|------------|----------|
| Date business started..... | MM/DD/YYYY | Pre-1900 |
| Fiscal year beginning..... | MM/DD/YYYY | |
| Fiscal year ending..... | MM/DD/YYYY | |

Figure 4

Click the **Return Information** tab, and on the screen, select the accounting method and other options. If you leave the accounting method blank, the system defaults to the *Cash* option.

Entity Information **Return Information**

SIGNING PARTNER OR LLC MEMBER

☐ Do not print officer's signature date on e-file signature authorization forms (Date will be included in XML file)

☐ Do not print officer's signature date on Form 1065, Page 1 (Date will be included in XML file)

First name.....

Middle initial.....

Last name.....

Title.....

Date..... MM/DD/YYYY

SSN (Optional).....

ACCOUNTING METHOD

☒ Cash ☐ Accrual ☐ Other.....

CHECK IF

☐ Initial return

Figure 5

On the **Return and Print Options > Basic Options** screen, you can choose from many return and print options. These selections provide you with the ability to customize the preparation and print of your 1065 returns.

Organizer **Tax Forms** **Collapse All** **Basic Options** **Allocation Options** **Sch K, K-1 and Activity Schedules** **Form 1065, Pages 1, 5**

Gains/Losses **Other Forms, Compute Options** **Select K-1 Print** **Print Copy Type**

CLIENT CODE QuickTrack

097L01

CLIENT NOTES

EVERY PAGE PRINT OPTIONS

Partnership name and EIN..... ☒ Print ☐ Suppress

Date / time stamp..... ☒ Print ☐ Suppress

Page numbers..... ☒ Print ☐ Suppress

Locator and account numbers..... ☒ Print ☐ Suppress

Version number..... ☒ Print ☐ Suppress

Figure 6

You can set most options as tax defaults for the entire account. If defaults have been set, they appear when you compute the return unless you override them here. If you make no entries and set no defaults, the system uses its own defaults for that item.

| | |
|--|---|
| CLIENT CODE | QuickTrack |
| <input type="text" value="ORVLD1"/> | |
| CLIENT NOTES | |
| <input type="text"/> | |
| EVERY PAGE PRINT OPTIONS | |
| Partnership name and EIN..... | <input checked="" type="radio"/> Print <input type="radio"/> Suppress |
| Date / time stamp..... | <input checked="" type="radio"/> Print <input type="radio"/> Suppress |
| Page numbers..... | <input checked="" type="radio"/> Print <input type="radio"/> Suppress |
| Locator and account numbers..... | <input checked="" type="radio"/> Print <input type="radio"/> Suppress |
| Version number..... | <input checked="" type="radio"/> Print <input type="radio"/> Suppress |
| Client Code..... | <input checked="" type="radio"/> Print <input type="radio"/> Suppress |
| ATTACHMENTS AND FEDERAL INDEX PRINT OPTIONS | |
| Statement number on detail schedules..... | <input checked="" type="radio"/> Print <input type="radio"/> Suppress |
| Index of all Federal forms in the return..... | <input type="radio"/> Print <input checked="" type="radio"/> Suppress |

Figure 7

| ADDRESS LABELS | |
|---|--|
| <input checked="" type="radio"/> Suppress labels (Default) <input type="radio"/> Print partnership labels <input type="radio"/> Print partner and partnership labels | |
| <input type="checkbox"/> Print partner number on partner labels | |
| FORMS AND SCHEDULES NOT REQUIRED TO BE FILED BY THE IRS | |
| All forms and schedules not required by the IRS..... <input checked="" type="radio"/> Print <input type="radio"/> Suppress | |
| MISCELLANEOUS | |
| <input type="checkbox"/> Suppress Override Summary Sheet <input type="checkbox"/> Suppress diagnostics <input type="checkbox"/> Suppress estimate summary sheet <input type="checkbox"/> Check both general partnership and limited liability company (print only) <input type="checkbox"/> Print return with override symbols <input type="checkbox"/> Print return cover sheet | |
| RETURN MAILING SHEETS | |
| <input type="checkbox"/> Print return mailing sheets <input type="checkbox"/> Suppress print of taxpayer return mailing sheets <input type="checkbox"/> Suppress print of federal return mailing sheets <input type="checkbox"/> Suppress print of state return mailing sheets | |

Figure 8

It is very important to specify how you want distributive items allocated to Schedule K-1 for each partner. If no selections are made, the system defaults, shown below, are used.

| | | | |
|---------------|------------------------------|-----------------------------------|------------|
| Basic Options | Allocation Options | Sch K, K-1 and Activity Schedules | Form 1 |
| Gains/Losses | Other Forms, Compute Options | Select K-1 Print | Print Copy |

| ALLOCATION DEFAULTS | | | | | | | | | |
|--|------|---------------------------------|---|--|--|------|---|----------------------------|-------------------------------|
| Select for ratios used to allocate distributive items not specially allocated. | | | | | | | | | |
| <table border="1"><thead><tr><th>TIME</th></tr></thead><tbody><tr><td><input type="radio"/> Beginning</td></tr><tr><td><input checked="" type="radio"/> Effective</td></tr><tr><td><input type="radio"/> Ending</td></tr></tbody></table> | TIME | <input type="radio"/> Beginning | <input checked="" type="radio"/> Effective | <input type="radio"/> Ending | <table border="1"><thead><tr><th>TYPE</th></tr></thead><tbody><tr><td><input checked="" type="radio"/> Profit</td></tr><tr><td><input type="radio"/> Loss</td></tr><tr><td><input type="radio"/> Capital</td></tr></tbody></table> | TYPE | <input checked="" type="radio"/> Profit | <input type="radio"/> Loss | <input type="radio"/> Capital |
| TIME | | | | | | | | | |
| <input type="radio"/> Beginning | | | | | | | | | |
| <input checked="" type="radio"/> Effective | | | | | | | | | |
| <input type="radio"/> Ending | | | | | | | | | |
| TYPE | | | | | | | | | |
| <input checked="" type="radio"/> Profit | | | | | | | | | |
| <input type="radio"/> Loss | | | | | | | | | |
| <input type="radio"/> Capital | | | | | | | | | |
| Select method below to allocate amounts remaining after special allocations. | | | | | | | | | |
| <table border="1"><thead><tr><th>ALLOCATION METHOD</th></tr></thead><tbody><tr><td><input checked="" type="radio"/> Residual (allocate remaining amounts only to partners not specially allocated)</td></tr><tr><td><input type="radio"/> Piggyback (allocate remaining amounts to all partners)</td></tr></tbody></table> | | ALLOCATION METHOD | <input checked="" type="radio"/> Residual (allocate remaining amounts only to partners not specially allocated) | <input type="radio"/> Piggyback (allocate remaining amounts to all partners) | | | | | |
| ALLOCATION METHOD | | | | | | | | | |
| <input checked="" type="radio"/> Residual (allocate remaining amounts only to partners not specially allocated) | | | | | | | | | |
| <input type="radio"/> Piggyback (allocate remaining amounts to all partners) | | | | | | | | | |

Figure 9

Under the **Sch K, K-1 and Activity Schedules** tab, you can select K-1 print options. You can also choose to print or suppress the Schedule K-1s and the supporting detail schedules from this screen.

Basic Options | Allocation Options | **Sch K, K-1 and Activity Schedules** | Form 1065, Pages 1, 5 and 1125

Gains/Losses | Other Forms, Compute Options | Select K-1 Print | Print Copy Type

[Additional Sch K-1 Options](#)

PRINT OR SUPPRESS

Schedule K-1 and partner activity schedules..... ☒ Print ☐ Suppress

Sch K, K-1, L, M-1, M-2, M-3, partner activity schedules, and 1065, Page 1 detail..... ☒ Print ☐ Suppress

Partner activity schedules (Not applicable for Federal Form 1065-B)..... ☒ Print ☐ Suppress

Partner activity schedules supplemental information detail (Not applicable for Federal Form 1065-B)..... ☒ Print ☐ Suppress

☐ Print general trade/business items as "Portfolio" instead of "Gen. T/B" on the partner activity schedules

COMPUTE OPTIONS

☐ Carry ordinary income from a publicly traded partnership (PTP) pass-through activity to Sch K instead of to Ordinary Income on Form 1065/1065-B, Page 1

☐ Carry amortization expense to other portfolio deductions on Sch K instead of to Form 1065/1065-B, Page 1

☐ Carry IRC § 754 depreciation NOT included in income to Sch K other deductions instead of as a memo item
Note: Selecting this option will remove the IRC § 754 depreciation from Sch M-1. To include the amount on

Figure 10

Also under the **Sch K, K-1 and Activity Schedules** tab, return and print options are available for most 1065 forms and schedules. You should review these screens carefully to take advantage of the many options available for Partnership tax returns.

| SCHEDULE K, AND SCHEDULE K-1 PRINT SUPPRESSION OPTIONS | | | |
|--|--|--------------------------|--------------------------|
| Form 1065, Sch K Line Reference (Note: Line reference is for Form 1065, Sch K unless the Sch K column has N/A) | | | |
| | Check to suppress detail for: | Schedule K | Schedule K-1 |
| | All detail related directly to:..... | <input type="checkbox"/> | <input type="checkbox"/> |
| K | Partner's share of other liabilities..... | N/A | <input type="checkbox"/> |
| L | Partner's share of Schedule M, lines 3, 4 and 7..... | N/A | <input type="checkbox"/> |
| L | Capital contributed, withdrawals, and distributions..... | N/A | <input type="checkbox"/> |
| 2 | Rental real estate activities..... | N/A | <input type="checkbox"/> |
| 3c | Other rental activities..... | N/A | <input type="checkbox"/> |
| 4 | Guaranteed payments..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 5 | Interest income..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 6 | Dividends..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 7 | Royalties..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 8 | Net short-term capital gain/loss..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 9a | Net long-term capital gain/loss..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 9b | Collectibles (28%) gain/loss..... | <input type="checkbox"/> | N/A |
| 9c | Unrecaptured IRC § 1250 gain..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 10 | Net IRC § 1231 gain/loss (NOT casualty or theft)..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 11 | Other income (loss) Sch K-1 Activity Detail and Sch K | <input type="checkbox"/> | <input type="checkbox"/> |
| 11a | Other portfolio income (loss)..... | N/A | <input type="checkbox"/> |
| 11b | Involuntary conversions..... | N/A | <input type="checkbox"/> |
| 11c | IRC § 1256 contracts and straddles..... | N/A | <input type="checkbox"/> |
| 11d | Mining exploration costs recapture..... | N/A | <input type="checkbox"/> |
| 11e | Cancellation of debt..... | N/A | <input type="checkbox"/> |
| 11f | IRC § 951A income..... | N/A | <input type="checkbox"/> |
| 11g | IRC § 965(a) inclusion..... | N/A | <input type="checkbox"/> |
| 11h | Subpart F income other than IRC § 951A and 965 inclusion..... | N/A | <input type="checkbox"/> |
| 11i | Other income (loss)..... | N/A | <input type="checkbox"/> |
| 12 | IRC § 179 deduction..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 13 | Deductions related to portfolio income..... | N/A | <input type="checkbox"/> |
| 13a | Contributions..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 13b | Investment interest expense..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 13c | IRC § 59(e)(2) expenditures..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 13d | Other deductions..... | <input type="checkbox"/> | <input type="checkbox"/> |

Figure 11

| | | | |
|-------|--|--------------------------|--------------------------|
| 14a | Net earnings(loss) from self-employment..... | <input type="checkbox"/> | N/A |
| 14b | Gross farming or fishing income..... | <input type="checkbox"/> | N/A |
| 14c | Gross nonfarm income..... | <input type="checkbox"/> | N/A |
| 15a | Low-income housing credit from partnership (IRC § 42(j)(5))..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 15b | Low-income housing credit (Other)..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 15c | Qualified rehabilitation expenditures (rental real estate)..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 15d | Other rental real estate credits..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 15e | Other rental credits..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 15f | Other credits..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 16b-m | Foreign transactions..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 17a | Post-1986 depreciation adjustment..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 17b | Adjusted gain or loss..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 17c | Depletion (other than oil and gas)..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 17d | Gross income from oil, gas, and geothermal properties..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 17e | Deductions allocable to oil, gas, and geothermal properties..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 17f | Other AMT items..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 18a | Tax-exempt interest income..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 18b | Other tax-exempt income..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 18c | Nondeductible expenses..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 19a | Cash Distribution - Fair Market Value..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 19b | Property Distribution - Fair Market Value..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 20a | Investment income..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 20b | Investment expenses..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 20c | Other items and amounts reported separately..... | <input type="checkbox"/> | N/A |
| 20c-z | Other information..... | N/A | <input type="checkbox"/> |
| 20c | Memo Items..... | <input type="checkbox"/> | <input type="checkbox"/> |
| | Partner footnotes..... | N/A | <input type="checkbox"/> |

Note: Options above apply to a 1065-B return only if the item is normally printed on a 1065-B return.

| COLLATION OPTIONS | |
|---|---|
| Schedule K-1 instructions with each partner's Schedule K-1..... | <input type="radio"/> Print <input checked="" type="radio"/> Suppress |
| Copies of Form 1065/1065-B and Schedule K with each partner's Schedule K-1..... | <input type="radio"/> Print <input checked="" type="radio"/> Suppress |

Figure 12

PARTNER INFORMATION

The **Partner Information** folder contains all of the information for the partners. Partner information can be bridged in, rolled over from a prior year’s return, or entered directly into the Organizer.

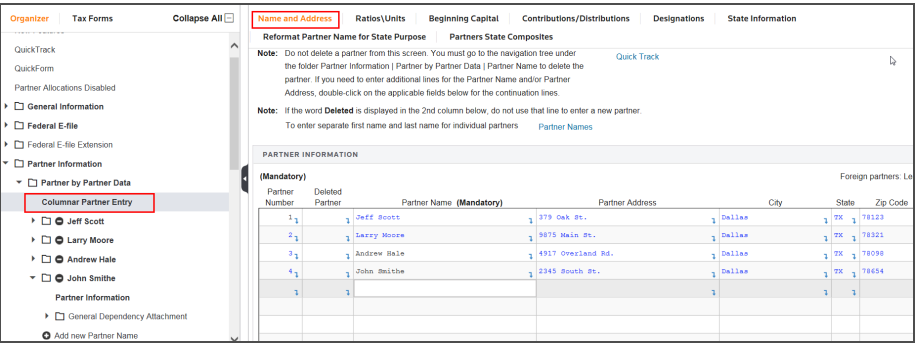


Figure 13

When you open this folder, all of the existing partners appear under the **Columnar Partner Entry**. You can select an existing partner or choose to add a new partner. These selections can be made either in the Forms List Window or by clicking the **Partner Names** link.

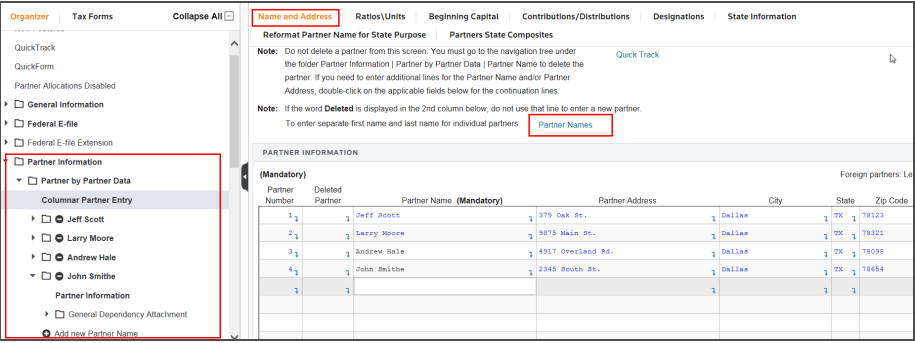


Figure 14

Select one of the partner names. Scroll down the **Partner Information** screen to enter the beginning capital and ratios for the selected partner.

The screenshot shows the 'Partner Information' screen for 'Jeff Scott'. The left sidebar lists various sections, with 'Partner Information' expanded. The main area displays the 'PARTNER RATIOS' section, which includes a table for entering beginning and ending ratios for Profit, Loss, and Ownership of Capital. The 'Check if units are entered' checkbox is present for each row. Below this is a section for 'PARTNER RATIOS - USED FOR PRINT AND E-FILE ONLY'.

| | Check if units are entered | Beginning Ratios or Units | Ending Ratios (Override) |
|----------------------|----------------------------|---------------------------|--------------------------|
| Profit | <input type="checkbox"/> | 0.2 | |
| Loss | <input type="checkbox"/> | 0.2 | |
| Ownership of Capital | <input type="checkbox"/> | | |

Figure 15

Scroll down farther to select the **Partner Type** options applicable to the selected partner. Your choices here override the default selections made on the **Common Partner Data** screen.

The screenshot shows the 'Partner Information' screen for 'Jeff Scott'. The left sidebar is the same as in Figure 15. The main area displays the 'PARTNER TYPE' section, which includes a table for selecting partner type options. The 'FOR REVIEW ONLY' section contains a warning not to make changes. The 'Partner (Override)' dropdown is set to 'General'. The 'Type of entity' dropdown is set to 'Individual'. The 'Domestic or foreign' dropdown is set to 'Domestic'. The 'Final or amended' dropdown is set to 'Leave Blank'. The 'Active or passive' dropdown is set to 'Passive'. The 'Taxable or exempt' dropdown is set to 'Taxable'. The 'Is this partner a retirement plan (IRA/SEP/Keogh/etc.)?' section has radio buttons for 'Yes', 'No', and 'Leave Blank' (selected).

| | FOR REVIEW ONLY Do not make changes in this column | Partner (Override) |
|---|--|--------------------|
| General or limited | Limited | General |
| Type of entity (Leave blank - NOT allowed for e-file) | Individual | Individual |
| Domestic or foreign | Domestic | Use default |
| Final or amended | Leave Blank | Use default |
| Active or passive | Passive | Passive |
| Taxable or exempt | Taxable | Use default |

Is this partner a retirement plan (IRA/SEP/Keogh/etc.)? ☐ Yes ☐ No ☒ Leave Blank

Figure 16

The **Common Partner Data** folder contains information for all partners. This feature is very helpful for partnerships with a large number of partners. Specific partner information can be entered in the **Partner by Partner Data** folder.

The screenshot shows a software interface for preparing 1065 returns. On the left is a sidebar with a tree view under the 'Tax Forms' tab. The 'Common Partner Data' folder is highlighted with a red rectangle. The main area on the right is titled 'Common Partner Information' and contains the following sections:

- Buttons:** 'Delete ALL Partners' and 'Direct K-1 Import'.
- FEDERAL FORM 1065, SCH K-1 ONLY - 1065 IRS CENTER:** A dropdown menu for 'IRS Center where partnership filed return' is set to 'Automatic Generate (Default)'. A note below states: 'Note: If you use the default "Automatic Generate", you must also enable Letters under the folder Letters and Filing Instructions. If you do not enable Letters, you must choose an IRS Service Center.'
- UNITS:** A section with the heading 'Units are entered for:' and three checkboxes: 'Beginning profit ratios', 'Beginning loss ratios', and 'Beginning ownership of capital ratios'.
- DEFAULTS FOR ALL PARTNERS:** A section with several dropdown menus:
 - 'General or limited' set to 'Limited'.
 - 'Final or amended K-1' set to 'Leave blank'.
 - 'Type of entity' set to 'Individual'.
 - 'Active or passive' set to 'Passive'.
 - 'Domestic or foreign' set to 'Domestic'.
 - 'Taxable or exempt' set to 'Taxable'.

Figure 17

Scroll down the **Common Partner Information** screen to enter the default types for all partners. You can find the miscellaneous partner options at the bottom of the screen.

The screenshot displays the 'Common Partner Information' screen with the following sections:

- Common Partner Information** (highlighted with a red box)
- Sch K-1 Print Options**
- K-1 Package Print Options**
- Delete ALL Partners**
- Direct K-1 Import**
- REFORMAT INDIVIDUAL PARTNER'S NAME**
 - ☐ Disable automatic reformat - partner name for all individual partners
- FEDERAL FORM 1065-B SCH K-1 ENTRIES - DEFAULT FOR ALL PARTNERS**
 - Corrected..... ☐ Yes ☒ No
 - Publicly Traded Partnership..... ☐ Yes ☒ No
- FEDERAL FORM 1065 SCH K-1 ONLY - MISCELLANEOUS PARTNER OPTIONS**
 - ☐ Treat individual general partners as passive for the Analysis of Net Income (Loss)
 - ☐ Treat individual limited partners as active for the Analysis of Net Income (Loss)
 - ☐ If exporting partner information to 1040, export investment interest expense as nonbusiness
 - ☐ Print ratios computed from ending partner capital balances. (Does not effect allocations)

Figure 18

To carry liabilities from the balance sheet to Schedule K-1, select the check box under the **Liabilities Allocable** tab.


| Common Partner Information | Sch K-1 Print Options | K-1 Package Print Options | Liabilities Allocable | |
|---|---|---------------------------|--------------------------------------|------------------------|
| Delete ALL Partners | Direct K-1 Import | | | |
| OPTIONS | | | | |
| <input type="checkbox"/> Carry liabilities from the balance sheet to Schedule K-1 (You may enter allocation codes below without entering overrides) | | | | |
| <input type="checkbox"/> Allocate "Other Liabilities" to all partners rather than to general partners only | | | | |
| OVERRIDES AND SPECIAL ALLOCATIONS | | | | |
| | Beginning Total amount (Override) | Allocable Code | Ending Total amount (Override) | Allocable Code |
| Nonrecourse liabilities..... | <input type="text"/> | <input type="text"/> ↕ | <input type="text"/> | <input type="text"/> ↕ |
| Qualified nonrecourse..... | <input type="text"/> | <input type="text"/> ↕ | <input type="text"/> | <input type="text"/> ↕ |
| Other liabilities..... | <input type="text"/> | <input type="text"/> ↕ | <input type="text"/> | <input type="text"/> ↕ |
| NEW FOR 2018 | | | | |
| Note: Due to the 2018 Federal K-1 changes, phrases will no longer be allowed to be entered for Schedule K-1, Item K, Partner's share of liabilities | | | | |

Figure 19

Click the **Contributions/Distributions** tab. Contributions/Distributions are allocated by beginning ratios unless specially allocated on this screen. Enter the date in the first column and the amount in the appropriate column. Enter a special allocation code, if necessary. To specially allocate an item differently than the ratios already set up in the partner information screen, enter a 2-character code in the **Allocation Code** field.

[illegible]

Figure 20

To delete a partner, select the  symbol next to the partner name in the navigation. When you click OK on the following screen, all data related to that partner will be deleted.

Platform extension (F5F6)

All data related to this partner will be deleted.

Figure 21

SPECIAL ALLOCATIONS AND TRANSFERS

The tax application allows you to allocate many different items. From the **Partner Information > Allocations > Special Allocations** folder, you can access an existing special allocation code or add a new one.

Special Allocation Code: WD

SPECIAL ALLOCATIONS

Special allocation code must be 2 characters. Do **NOT** use ZERO as the first character.

Special allocation code (Mandatory) WD Quick Track

Description (Mandatory)

Allocation method ☒ Residual ☐ Piggyback

RATIOS

If you are entering a ratio that is less than 1.00, the ratio should be entered as a decimal number.
For example, 75% would be entered as **.75** , 62.35% would be entered as **.6235**

You can enter 1.00 in the ratio column if the entire amount goes to one partner.

Note: For each partner, use ratios or amounts, but not both.

| Ptr # | Partner Name | Ratios | Amounts |
|-------|--------------|--------|---------|
| 1 | Jeff Scott | | |
| 2 | Larry Moore | | |
| 3 | Andrew Hale | | |

Figure 22

Each set of allocations has a unique 2-character code. You can also enter a meaningful description for the special allocation code. This code can be alpha, alphanumeric, or numeric. **CAUTION:** Do not begin the code with a zero.

Special Allocation Code ... WD

SPECIAL ALLOCATIONS

Special allocation code must be 2 characters. Do **NOT** use ZERO as the first character.

Special allocation code (Mandatory)..... WD

Description (Mandatory)..... WD

Allocation method..... ☒ Residual ☐ Piggyback

Quick Track

RATIOS

If you are entering a ratio that is less than 1.00, the ratio should be entered as a decimal number.
For example, 75% would be entered as **.75**, 62.35% would be entered as **.6235**

You can enter 1.00 in the ratio column if the entire amount goes to one partner.

Note: For each partner, use ratios or amounts, but not both.

Figure 23

You can also access the **Special Allocations** screen through any of the allocable items in the federal and state areas by selecting the **Alloc Code** column.

New Features
QuickTrack
QuickForm
Partner Allocations Disabled

General Information
Federal E-file
Federal E-file Extension
Partner Information
Amended Return
Ordinary Income and Deductions
Income Summary
Deductions Summary
Depreciation and Amortization
Depletion
Sch K
Activity Information
Gains and Losses
Credits

QuickTrack

Warning: If you specially allocate the Schedule K Income Summary, line 1 organizer amount, then do not specially allocate corresponding amounts on this screen. If you do so, then your Schedule K-1, line 1 amount may be overstated.

GENERAL TRADE OR BUSINESS INCOME (INCLUDED ON FORM 1065, PAGE 1)

| Form 1065, Page 1 line reference | Amount | Alloc Code | Form 1065-B, Page 1 line reference |
|---|-------------|------------|------------------------------------|
| 1a Gross receipts or sales..... | 134,000,000 | 1 | 1a |
| 1b Returns and allowances..... | | 1 | 1b |
| 2 Cost of goods sold (Override) (For Form 1065 Only)..... | | | |
| Cost of goods sold (Override) (For Form 1065-B Only)..... | | | 2 |
| 4 Ordinary income (loss) from other partnerships and fiduciaries (For Form 1065 Only)..... | | 1 | |
| Ordinary income (loss) from other partnerships and fiduciaries (For Form 1065-B Only)..... | | | 6 |
| 5 Net farm profit (loss) (For Form 1065 Only)..... | | 1 | |
| Net farm profit (loss)..... | | | |

Figure 24

Transfers of interest can be made from one or more partners to one or more partners. To begin, select **Partner Information > Transfer of Interest > Transfers > Add New Transfer Date**.

The screenshot displays the 'Transfers of Partner Interest' screen in a software application. On the left, a sidebar menu is visible with a red rectangular box highlighting the 'Partner Information' section. Within this section, 'Add new Transfer Date' is selected. The main window shows a form titled 'TRANSFERS OF PARTNER INTEREST'. At the top, there's a 'Transfer Date' dropdown set to '06/30/2018'. Below this, a 'Note' states that 'Compute' must be turned off. An 'Important !!!' section follows, explaining that transfer dates must be entered in chronological order. Below that, a note mentions that 'Effective' must be selected under allocation options. The form includes fields for 'Date (Mandatory)' (06/30/2018), 'Transferring partner number' (1), and 'Withdrawing from partnership' (unchecked). A 'NOTE' specifies that if transferring from Partnership (ALL Partners), the transferring partner number should be blank. A 'RATIOS' section provides instructions on how to enter the ratio of interest transferred, with examples like .75 for 75% and .6235 for 62.35%. At the bottom, there's a section for 'Receiving partners' with columns for Name, Memo, and Date.

Figure 25

If not distributing a partner's share to all remaining partners, enter the receiving partner(s) information in these fields.

Transfer Date ... 06/30/

TRANSFERS OF PARTNER INTEREST

Note: Compute **MUST** be turned off before entering data on this screen. Quick Track

Important !!!

In order for the transfer of interest to work correctly, the Transfer Date must be entered in chronological order. Deleting dates and reentering them in chronological order causes trapped transfer dates.

Under Allocation Options, Effective must be selected in order for transfers to compute correctly

Note: To print Form 8308, you must go to Transfer Options to make your print selection.

Date (Mandatory) 06/30/

Transferring partner number.....

Withdrawing from partnership..... ☐

NOTE: If transferring from Partnership (ALL Partners), leave transferring partner number blank.

RATIOS

Enter the ratio of interest transferred as the portion of the transferring partner's interest. For example, if a partner is transferring all of his interest, the ratio entered should total to 1.00.

If you are entering a ratio that is less than 1.00, the ratio should be entered as a decimal number. For example, 75% would be entered as **.75** , 62.35% would be entered as **.6235** .

Receiving partners:

Figure 26

If a partner is withdrawing from the partnership, you only need to enter the transferring partner's number. If a partner is transferring all of his interest to the partnership (all partners), you only need to enter the transferring partner's number. The tax application transfers his interest to all partners in the return. You also need to select the **Withdrawing from partnership** check box.

Transfer Date ... 06/30/

TRANSFERS OF PARTNER INTEREST

Note: Compute **MUST** be turned off before entering data on this screen. Quick Track

Important !!!

In order for the transfer of interest to work correctly, the Transfer Date must be entered in chronological order. Deleting dates and reentering them in chronological order causes trapped transfer dates.

Under Allocation Options, Effective must be selected in order for transfers to compute correctly

Note: To print Form 8308, you must go to Transfer Options to make your print selection.

Date (Mandatory) 06/30/

Transferring partner number.....

Withdrawing from partnership..... ☒

NOTE: If transferring from Partnership (ALL Partners), leave transferring partner number blank.

RATIOS

Enter the ratio of interest transferred as the portion of the transferring partner's interest. For example, if a partner is transferring all of his interest, the ratio entered should total to 1.00.

If you are entering a ratio that is less than 1.00, the ratio should be entered as a decimal number. For example, 75% would be entered as .75 , 62.35% would be entered as .6235 .

Figure 27

To maximize the efficiency of the 1065 tax application, it is recommended that you not enable allocations until after you enter all data for the partnership. You can access the **Enable Partner Allocations** screen from the Forms List Window. After you check the box on the **Enable Allocation** screen, you must change the focus of the field before the enable allocations option is recognized.

Organizer | Tax Forms | Collapse All

New Features

QuickTrack

QuickForm

Partner Allocations Enabled

☐ General Information

☐ Federal E-file

☐ Federal E-file Extension

☐ Partner Information

☐ Partner by Partner Data

Tax Matters Partner

Common Partner Data

ALLOCATIONS

After entering all your partnership amounts or changing the existing partnership amounts, you must check the box below for the return to allocate.

☒ Enable partner allocations

DISABLE STATE ALLOCATIONS

The options below will disable partner allocations to the state or city forms. The default is to allocate all state and and city forms that have partner allocated amounts. Check the box for applicable states to disable partner allocation

DISABLE ALL STATE ALLOCATIONS

☐ All States

Figure 28

If partner allocations are disabled, you will see this appear in the navigation pane.

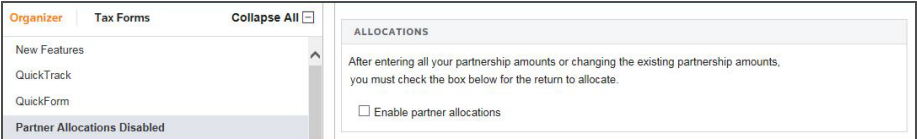


Figure 29

INCOME AND DEDUCTIONS

The **Ordinary Income and Deductions** folder contains information for Form 1065, Page 1. Information entered here overrides the computed data from elsewhere in the return.

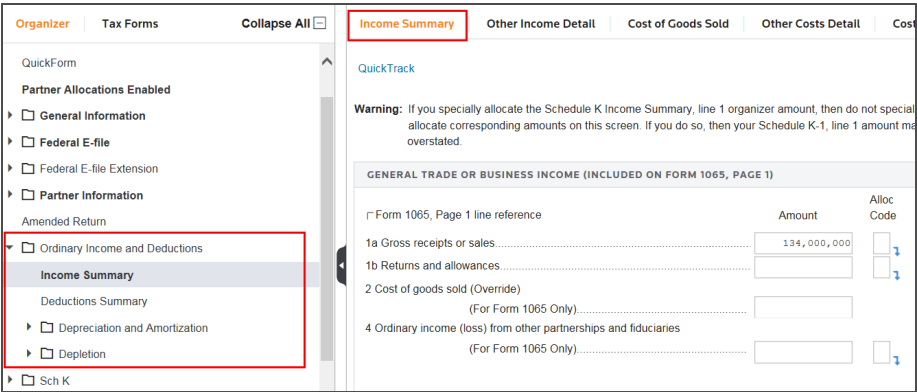


Figure 30

Data entered on **line 6 Net gain (loss) from Form 4797** overrides the detail amounts entered in the Organizers that carry to Form 1065, Page 1.

QuickTrack

| | | |
|--|----------------------|-----------------------------|
| 1b Returns and allowances..... | <input type="text"/> | <input type="checkbox"/> 1b |
| 2 Cost of goods sold (Override) | | |
| (For Form 1065 Only)..... | <input type="text"/> | |
| Cost of goods sold (Override) | | |
| (For Form 1065-B Only)..... | <input type="text"/> | 2 |
| 4 Ordinary income (loss) from other partnerships and fiduciaries | | |
| (For Form 1065 Only)..... | <input type="text"/> | <input type="checkbox"/> 4 |
| Ordinary income (loss) from other partnerships and fiduciaries | | |
| (For Form 1065-B Only)..... | <input type="text"/> | 6 |
| 5 Net farm profit (loss) | | |
| (For Form 1065 Only)..... | <input type="text"/> | <input type="checkbox"/> 5 |
| Net farm profit (loss) | | |
| (For Form 1065-B Only)..... | <input type="text"/> | 7 |
| 6 Net gain (loss) from Form 4797 (Override) | <input type="text"/> | |
| (For Form 1065 Only)..... | <input type="text"/> | |
| Net gain (loss) from Form 4797 (Override) | | |
| (For Form 1065-B Only)..... | <input type="text"/> | 9 |
| 7 Other income (loss)..... | <input type="text"/> | 10 |
| Net rental real estate income (loss) | | |
| (For Form 1065-B Only)..... | <input type="text"/> | 4 |

Figure 31

SCHEDULE K

The **Schedule K** folder contains several subfolders for each section of the actual Schedule K form. Most of the information in the **Schedule K** folder are overrides of computed amounts entered elsewhere in the return.

The screenshot shows the 'Income summary' tab selected in the top navigation bar. In the left sidebar, the 'Sch K' folder is expanded, and the 'Income Summary' subfolder is highlighted. The main window displays the 'QuickTrack' section for Schedule K. Line 1 is 'Ordinary income (loss)' with an 'Override Amounts' field and an 'Alloc Code' dropdown. A warning message is present: 'Warning: If you want to enter special allocation code on the above field to specially allocate Schedule K-1, line 1, you should not enter special allocation codes on any screen on Organizer | Ordinary Income and Deductions | Income Summary, or Organizer | Ordinary Income and Deductions | Deductions Summary. Otherwise, the amount on Schedule K-1, line 1 might be over allocated.' Line 2 is 'Net rental real estate income (loss)' with a 'Form 1065-B Line Reference' field and an 'Alloc Code' dropdown.

Figure 32

For example, an entry on line 2 for **Net rental real estate income (loss)** overrides information entered in the **Activity Information** folder for rental real estate activities.

The screenshot shows the 'Income summary' tab selected in the top navigation bar. The main window displays the 'QuickTrack' section for Schedule K. Line 2 is 'Net rental real estate income (loss)' with a 'Form 1065-B Line Reference' field and an 'Alloc Code' dropdown. The entry is highlighted with a red box. The entry shows 'Net rental real estate income (loss)' with a value of 80,000 and a 'Form 1065-B Line Reference' field. The 'Form 1065-B Line Reference' field is set to 'Page 1, line 4'. The 'Alloc Code' dropdown is set to '1'.

Figure 33

You can also use the **Schedule K** folder to specially allocate items on Schedule K. Below, special allocation code AA was entered on line 1 for Ordinary Income.

| Income summary | | Income-US Interest | Income-Other Interest | Income-Qualified Investment Dividends |
|---|---|------------------------|------------------------|---------------------------------------|
| Income-Other Dividends | | Income-Other Royalties | Income-Other Portfolio | Income-Miscellaneous |
| QuickTrack | | | | |
| Form 1065, Sch K Line Reference | | Override Amounts | Alloc Code | |
| 1 | Ordinary income (loss)..... | <input type="text"/> | AA ↓ | |
| <p>Warning: If you want to enter special allocation code on the above field to specially allocate Schedule K-1, line 1, you should not enter special allocation codes on any screen on Organizer Ordinary Income and Deductions Income Summary, or Organizer Ordinary Income and Deductions Deductions Summary. Otherwise,</p> | | | | |
| 2 | Net rental real estate income (loss) (For Form 1065 Only)..... | <input type="text"/> | <input type="text"/> ↓ | |
| 3 | Net income (loss) from other rental activities (For Form 1065 Only)..... | <input type="text"/> | <input type="text"/> ↓ | |
| 4 | Guaranteed payments..... | <input type="text"/> | <input type="text"/> ↓ | |
| | Guaranteed payments (trade / business) (Carrying to Schedule M-1)..... | <input type="text"/> | <input type="text"/> ↓ | |

Figure 34

When the partnership computes and allocates the return, the amount of ordinary income entered elsewhere in the return is allocated by the ratios/dollars set up for special allocation code AA. A dollar amount does not have to be entered on line 1 unless you want to override the total amount computed by the system.

ACTIVITY INFORMATION

In the **Activity Information** folder, you will find a separate folder for each type of activity. You must enter the activity name to access the tabs which enable you to enter the detail information.

The screenshot shows a software interface for preparing tax returns. On the left is an 'Organizer' pane with a tree view. Under 'Tax Forms', 'Activity Information' is expanded, and 'Rental Real Estate' is selected. Within 'Rental Real Estate', 'RRE-001' is highlighted, and 'Rental Real Estate Activity' is the active sub-folder. The main window displays the 'Form 8825' tab for 'Rental Real Estate Address ... RRE-001'. The 'ACTIVITY INFORMATION' section contains the following fields and options:

- Activity number (System Generated) [Field]
- Sort order for next years proforma [Field]
- Physical address of property (Mandatory) [Field: RRE-001]
- Physical address of property, cont'd (Print only) [Field]
- Property description (Pennsylvania only) [Field]
- ☐ Fully disposed of during the current year
- ☐ Qualified low-income housing
- ☐ Exempt from California return
- ☐ Suppress this activity from flowing into Form 8825, Lines 18a through 21
- ☐ Suppress this activity from flowing into Form 8825 (Option above should also be checked)
- ☐ Activity is within Pennsylvania
- Property type [Dropdown: None Selected]
- If "Other" is selected above, enter [Field]
- Fair rental days [Field]
- Personal use days [Field]
- Unique number to tie gains & losses to this activity (For each type of activity and division in a consolidated return, if applicable, do not duplicate) [Field]

Figure 35

On the **Activity Information** screen, you must complete the **Physical address of property** field before you can enter any other information for this activity.

Rental Real Estate Address ... RRE-001

Form 8825 | **Income and Expense Detail** | **Special Allocations** | **Special Allocations Detail**

ACTIVITY INFORMATION

Activity number (System Generated) 2

Sort order for next years proforma 1.00

Physical address of property (Mandatory) RRE-001

Physical address of property, cont'd (Print only)

Property description (Pennsylvania only)

☐ Fully disposed of during the current year

☐ Qualified low-income housing

☐ Exempt from California return

☐ Suppress this activity from flowing into Form 8825, Lines 18a through 21

☐ Suppress this activity from flowing into Form 8825 (Option above should also be checked)

☐ Activity is within Pennsylvania

Property type None Selected

If "Other" is selected above, enter

Fair rental days ☐

Personal use days ☐

Unique number to tie gains & losses to this activity (For each type of activity and division in a consolidated return, if applicable, do not duplicate)

Figure 36

The **Depreciation and Amortization** folder is also available to enter depreciation detail for this activity.

Rental Real Estate Address ... RRE-001

Depreciation Detail | **State Depreciation** | **Retirement/Disposal** | **4562 Vehicle Information**

HELP

General | Property Type | Whitepaper Category

BASIC INFORMATION

Description of asset (Mandatory) Building

Retired asset (Display only)

Date placed in service 02/15/2008

Date placed in service (Print only)

| | Cost | Method | Life | Accumulated Depreciation | Current Year Deduction |
|---------|---------|---|------|--------------------------|------------------------|
| Regular | 450,000 | (None selected) | | | |
| AMT | 450,000 | IRS prescribed 200% DB/150% DB for MACRS, SL for Real and | | | |
| ACE | | SL | | | |
| Book | | (None selected) | | | |

CURRENT YEAR DEDUCTION OVERRIDES

Caution: Generally, a regular depreciation override entered here will be used on states unless a corresponding override is entered on the State

Figure 37

BALANCE SHEET/RECONCILIATION

The **Balance Sheet and Reconciliation** folder contains information for Schedules L, M-1, M-2, M-3, Schedule C, and Form 8916-A.

The screenshot shows a software interface with a left sidebar and a main content area. The sidebar has a 'Collapse All' button and a list of folders. The 'Balance Sheet and Reconciliation' folder is highlighted with a red box. The main content area has tabs for 'Reconciliation', 'Income not on Books', 'Expense not on Sch K', and 'Income not on Sch'. The 'Reconciliation' tab is active, showing a 'QuickTrack' section and a table titled 'FEDERAL FORM 1065 ENTRIES'.

| Form 1065, Sch M-1 Line Reference | Preparer's Entry | Amount | Alloc Code |
|-----------------------------------|---|-------------|------------|
| 1 | Net Income per books..... | 134,000,000 | |
| 2 | Income on Schedule K and not on books..... | | |
| | Income on Schedule K and not on books-detail..... | | |
| 3 | Guaranteed payments..... | | |
| 4a | Depreciation..... | | |
| 4b | Travel and entertainment..... | 95,000 | |
| | Other expenses recorded on books not on Schedule K..... | | |
| | Other expenses on books not on Schedule K-detail..... | | |
| | Depletion..... | | |
| | Amortization..... | | |
| | Jobs credit wage reduction..... | | |
| | Political contributions..... | | |
| | State taxes..... | | |

Figure 38

To balance the return, we compute **Net Income per Books** shown below on Schedule M-1 and carry this amount to **Net income per books** shown on Schedule M-2. The system automatically computes the net income per books amount from entries made in the return.

| Form 1065, Sch M-1 Line Reference | Preparer's Entry | Amount | Alloc Code |
|-----------------------------------|---|-------------|------------|
| 1 | Net Income per books..... | 134,000,000 | |
| 2 | Income on Schedule K and not on books..... | | |
| | Income on Schedule K and not on books-detail..... | | |
| 3 | Guaranteed payments..... | | |
| 4a | Depreciation..... | | |
| 4b | Travel and entertainment..... | 95,000 | |
| | Other expenses recorded on books not on Schedule K..... | | |
| | Other expenses on books not on Schedule K-detail..... | | |
| | Depletion..... | | |
| | Amortization..... | | |
| | Jobs credit wage reduction..... | | |
| | Political contributions..... | | |
| | State taxes..... | | |

Figure 39

| Form 1065, Sch M-2 Line Reference | Override Amounts | Alloc Code |
|-----------------------------------|---------------------------|-------------|
| 1 | Beginning capital..... | |
| 2a | Cash contributed..... | |
| 2b | Property contributed..... | |
| 3 | Net income per books..... | 134,000,000 |

NET INCOME PER BOOKS - ALLOCATIONS OVERRIDE

☐ Allocate net income per books by default allocation ratios

OR

Allocate net income per books by entering special allocation code.....

Warning: Both options will suppress Schedule K-1, item L current year increase/decrease detail schedules.

Figure 40

Your ending analysis of partners' capital balance on Schedule M-2, line 9 below should equal your ending partners' capital on Schedule L, line 21. If these amounts do not equal each other, your return is out of balance. If these schedules are out of balance, a diagnostic message appears to warn you of this situation.

| Capital Analysis | | Other Increases/Decreases-Detail | | Contribution/Distribution | | Cash | |
|-------------------------------------|---|----------------------------------|--|---------------------------|--|------|--|
| Property Distribution - FMV | | | | | | | |
| QuickTrack | | | | | | | |
| increase/decrease detail schedules. | | | | | | | |
| 4 | Other increases..... | | | | | | |
| | Other increases-detail..... | | | | | | |
| 6a | Cash distributions..... | 6,235,800 | | | | | |
| 6b | Property distributions: | | | | | | |
| | Distributions Subject To Section 737..... | | | | | | |
| | Other Property distribution..... | | | | | | |
| 7 | Other decreases..... | | | | | | |
| | Other decreases-detail..... | | | | | | |
| 9 | Ending capital..... | 25,552,840 | | | | | |

Figure 41

Your ending analysis of partners' capital balance on Schedule M-2, line 9 below should equal your ending partners' capital on Schedule L, line 21. If these amounts do not equal each other, your return is out of balance.

| BALANCE SHEET - LIABILITIES | | |
|---|-----------|--------|
| Schedule L line reference | Beginning | Ending |
| 15 Accounts payable..... | | |
| 16 Mortgages, notes, bonds payable in less than 1 year..... | | |
| 17 Other current liabilities (Override)..... | | |
| 18 All nonrecourse loans: | | |
| Nonrecourse loans (Override)..... | | |
| Qualified nonrecourse loans (Override)..... | | |
| 19a Loans from partners..... | | |
| b Mortg, notes, bonds payable in 1 year or less..... | | |
| 20 Other liabilities (Override)..... | | |
| 21 Partners' capital accounts (for review only)..... | | |
| 22 Total liabilities and capital (automatic)..... | | |

Figure 42

STATE RETURNS

Scroll to the bottom of the Organizer tab to the **States** folder.

The spreadsheet format will allow you to review common state general information across all jurisdictions at once. If a state's entry is different than the federal entry or the entry in Common State, you can also enter the modifications in the new spreadsheet.

The **Common State > Basic Return Information** spreadsheets are laid out in the following format.

The **Individual State** rows are controlled by state activation. These rows will display data that is flowing from the federal and/or Common State and allow you to change the data on a state-by-state basis.

Click **States > State and City Activation** to view the **State Grid**. On the grid spreadsheet, you are able to add or delete states/cities by selecting the check box next to the desired jurisdiction.

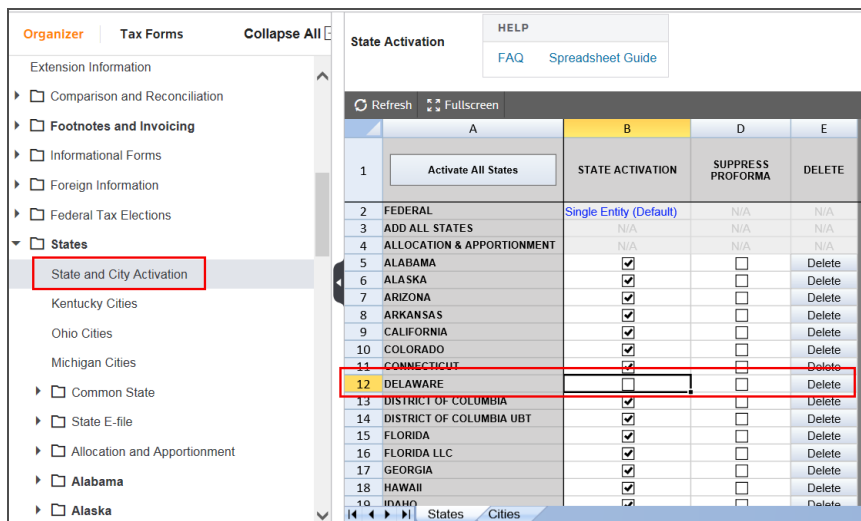
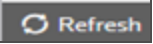


Figure 43

Click the **Refresh** icon () above column A. The added state now appears in the navigation tree under **States**.

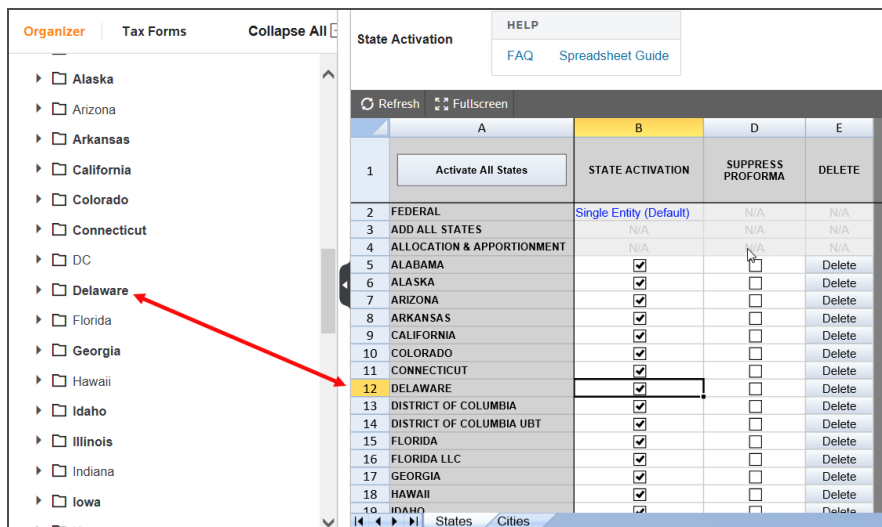


Figure 44

In a similar fashion, the **Common State** row allows you to override federal data or enter data for fields that carry to all applicable jurisdictions that do not exist in the federal area.

REVIEWING PARTNER DATA

You can review the partner's ratios under the **Partner Ratios Summary Tax Forms** folder. If ratios do not foot to 1.00, amounts of total Schedule K-1 will not equal partnership amounts, and the system generates a diagnostic to inform you of this.

Organizer

Tax Forms

Collapse All

Federal

Letters and Filing Instructions

1065 - US Partnership Return of Income

Schedule B-1

Schedule C - Additional Info for M-3

Schedule M-3 and 9916-A

1065X - Amended Return or Admin Adj Req

Tax Summary

Partner Review

Partner Ratios Summary

Columnar Review

Reconciliation of Pshp to Ptr Amounts

Analysis by Partner Type

Special Allocation Codes

Losses in Excess of Basis

Beginning Ratios

Default Ratios

Ending Ratios

Beginning Units

Ending Units

| Partner number | Profit ratio | Loss ratio | Capital ratio | Partner name |
|----------------|--------------|------------|---------------|--------------|
| 1 | 0.20000000 | 0.20000000 | 0.20000000 | Jeff Scott |
| 2 | 1 | 1 | 1 | Larry Moore |
| 3 | 1 | 1 | 1 | Andrew Hale |
| 4 | 1 | 1 | 1 | John Smithe |
| 1 | 1 | 1 | 1 | |
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Figure 45

You must correct the ratios before amounts are allocated to the partners. You can view **Beginning**, **Ending**, and **Default** ratios here.

| Beginning Ratios | | Default Ratios | Ending Ratios | Beginning Units | Ending Units |
|------------------|--------------------------|----------------|---------------|-----------------|--------------|
| Partner number | Default allocation ratio | Partner name | | | |
| 1 | 0.20000000 | Jeff Scott | | | |
| 2 | | Larry Moore | | | |
| 3 | | Andrew Hale | | | |
| 4 | | John Smithe | | | |
| | | | | | |
| Total | 0.20000000 | | | | |

Figure 46

Organizer

Tax Forms

Collapse All

K-1 Liabilities

K-1 Partners Capital Accounts

Income

Deductions

Self-Employment

Credits

Foreign Transactions

AMT Items

Other Information

Supplemental Information

☐ Federal

Letters and Filing Instructions

1065 - US Partnership Return of Income

Schedule B-1

Schedule C - Additional Info for M-3

Schedule M-3 and 991E-A

1065X - Amended Return or Admin Adj Req

Tax Summary

☐ Partner Review

Partner Ratios Summary

Colonytax Review

Reconciliation of Pshp to Pfr Amounts

Analysis by Partner Type

Special Allocation Codes

Losses in Excess of Basis

| Partner Number | Partner Name | Capital account at beginning of year | Capital contributions during year | Current year increase (decrease) | Withdrawals and distributions |
|----------------|--------------|--------------------------------------|-----------------------------------|----------------------------------|-------------------------------|
| 1 | Jeff Scott | 1 | 1 | 26,800,000 | 1,247,160 |
| 2 | Larry Moore | 1 | 1 | 1 | 1 |
| 3 | Andrew Hale | 1 | 1 | 1 | 1 |
| 4 | John Smith | 1 | 1 | 1 | 1 |
| 1 | | 1 | 1 | 1 | 1 |
| Total | | | | 26,800,000 | 1,247,160 |

You can review Partner information in **Tax Forms** under the **Partner by Partner Detail** folder. All information for each partner is listed in the Forms List Window by partner.

Organizer **Tax Forms** **Collapse All**

Partner Ratios Summary

Columnar Review

Reconciliation of Pph to Ptr Amounts

Analysis by Partner Type

☒ Special Allocation Codes

Losses in Excess of Basis

☐ Transfers of Interest

☐ Partner Book/Tax Basis Schedule

☐ Partner-by-Partner Book/Tax Basis - /

Schedule D - Capital Gains and Losses

☐ Schedule F - Profit/Loss From Farming

☒ **Schedule K-1 - Partner Share**

Jeff Scott

Larry Moore

Andrew Hale

John Smith

Schedule K-1 ... Jeff Scott

Schedule K-1 (Form 1065)

Department of the Treasury
Internal Revenue Service

For calendar year or tax year

beginning ending

Partner's Share of Income, Deductions, Credits, etc. ► See back of form and separate instructions.

Part I Information About the Partnership

A Partnership's employer identification number Partner #

B Partnership's name, address, city, state, and ZIP code

Overland Finance

1048 Main St.

Dallas, TX 75123

C IRS Center where partnership filed return

efile

Final K-1 Amended K-1 OMB No. 1545-0047

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

| | | | |
|----|--------------------------------------|----|----------------------|
| 1 | Ordinary business income (loss) | 15 | Credits |
| | 26,800,000 | | |
| 2 | Net rental real estate income (loss) | | Additional Items |
| 3 | Other net rental income (loss) | 16 | Foreign transactions |
| 4 | Guaranteed payments | | |
| 5 | Interest income | | |
| 6a | Ordinary dividends | | |
| 6b | Qualified dividends | | |
| 6c | Dividend equivalents | | |
| 7 | Royalties | | Additional Items |

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RECONCILIATION

Use the **Reconciliation** folder as a tool to determine whether all entries in the return are in balance. Information entered on these screens does not carry into the return; it is only used to compare with computed amounts. You can print the **Reconciliation Schedule** showing your entries in the **Reconciliation** folder, the computed amounts, and the differences.

Income-Reconciliation | Deductions-Reconciliation | Capital-Reconciliation

INCOME RECONCILIATION

Entries below will not carry into the return. These amounts will carry into the preparer's reconciliation only. ☐ Suppress the printing of the preparer's reconciliation schedule.

| Income | |
|---|-----------|
| 1 Ordinary income (loss)..... | 5,842,359 |
| 2 Net income (loss) from rental real estate activity..... | 525,000 |
| 3 Net income (loss) from other rental..... | |
| 4 Guaranteed payment..... | |
| 5 Interest income..... | |
| 6 Dividend income..... | 100,000 |
| 7 Royalty..... | |
| 8 Net short-term capital gain (entire year)..... | |
| 9a Net long-term capital gain (entire year)..... | |
| 9b Collectibles (28%) gain (loss)..... | |
| 9c Unrecaptured section 1250 gain..... | |
| 10 Net Section 1231 gain (loss) (entire year)..... | |
| 11 Other income..... | |

Figure 49

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