

THOMSON REUTERS®

DIRECT K-1 IMPORT/EXPORT GUIDE

FOR TAX YEAR 2021

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CHAPTER 1: 1065 DIRECT K-1 IMPORT/EXPORT

The Direct K-1 Import Tool provides a mechanism for bypassing the system's calculations and allocations on Schedule K-1. It imports federal and state K-1 partner information directly to the respective Tax Forms (Schedule K-1) and the related workpaper screens when the data is formatted as specified in the DK-1 workbook.

Only available for use in the 1065 tax application, the tool is normally used to prepare the Schedule K-1s for those partnership entities who are required to e-file according to federal and/or state requirements. Generally, these requirements are based on the number of partners in the partnership. It may also be used when a client knows what numbers they want to appear on the Schedule K-1. Information imported into the locator using the Direct K-1 Import can also be exported from the locator using Direct K-1 Export.

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- [How the DK-1 Tool Works \(page 8\)](#)
 - [Items Needed Prior to DK-1 Import \(page 8\)](#)
 - [Reviewing the *.PX1 File \(page 8\)](#)
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CHAPTER 2: STATE K-1S THAT CAN BE PREPARED

The capability to do a federal and/or state Direct K-1 Import is normally available when the federal, and the particular state is released, in the tax application. These states are available for Direct K-1 Import for 2021.

STATE	E-FILING	NOT E-FILING	NOTES
ALABAMA	Schedule K-1 PTE-CK1		
ALASKA	Schedule K-1 Form 8900, Schedule B		
ARIZONA	165, Schedule K-1 165, Schedule K-1 NR 1040NR, P1 Partner's Information		
ARKANSAS	Schedule K-1		
CALIFORNIA	565, Schedule K-1 568, Schedule K-1 592-B		
COLORADO	106, Page 4, Part III	Form 108 Schedule K-1 Equivalent	

STATE	E-FILING	NOT E-FILING	NOTES
CONNECTICUT	CT-1065/CT-1120SI, Part I, Schedule B, Individual Member Detail & Form Details Part III - Member Information Part V-Member's Share of Connecticut Modifications Part IX- Connecticut Sourced Portion of Items From Federal Schedule K-1 for Form 1065	Schedule CT K-1	
DELAWARE	Schedule K-1		
DISTRICT OF COLUMBIA		Schedule K-1 Equivalent	
FLORIDA		F-1065, Part IV Schedule K-1 Equivalent	
GEORGIA	700 Credit Allocation to Owners	Schedule K-1 Equivalent G2-A	
HAWAII		Form N-756A Schedule K-1	
IDAHO	PTE-12 Schedule K-1		
ILLINOIS	Schedule K-1-P Schedule B - Partner Identification		
INDIANA	IT-65, Schedule K-1	Schedule K-1 Equivalent	
IOWA	Schedule K-1		

STATE	E-FILING	NOT E-FILING	NOTES
KANSAS	K-120S Part II: Partner's or Shareholder's Distribution of Income	K -40 C composite Schedule K-1 Equivalent	
KENTUCKY	PTE-WH Schedule K-1		
LOUISIANA	Composite Members (E-file Only) IT-565, Schedule B R-6922 Composite Partnership Return, Included/Not included Tap	Schedule K-1 Equivalent	
MAINE	941P-ME, Schedule 2P 941P-ME, Schedule 3P	1099ME Schedule K-1 Equivalent	
MARYLAND	MD 510, Schedule B, Part I, Part II, Part III, Part IV		
MASSACHUSETTS	Schedule 3K-1		
MICHIGAN	4578, MBT Schedule of Partners		
MINNESOTA	KPC KPCNC KPI KPINC MO-1065 Part 2 Partner's Share of Adjustments		

STATE	E-FILING	NOT E-FILING	NOTES
MISSISSIPPI	84-131 (Schedule K) - Partner Information 84-132 (Schedule K-1)		
MISSOURI	MO NRP - Partner's distributive share	MO-2NP MO-3NP	
MONTANA	PTE, Schedule IV Partner Detail Schedule K-1		
NEBRASKA	1065N, Schedule K1N		Print partner's order is as sorted, in XML, Partner's order is unsorted
NEW JERSEY	NJ -1065 Partners Directory (Unsorted) Schedule NJK-1 Schedule PTE-K-1		
NEW MEXICO	RPD-41367, Page 2 RPD-41359	Schedule K-1 Equivalent	
NEW YORK	IT-204-CP Corporate Partners Schedule K-1 and Support Schedule IT-204-IP and Support Schedule		
NORTH CAROLINA	D-403, Partner Information Schedule NC K-1		
NORTH DAKOTA	58, Schedule K-1		
OHIO	IT K-1	Investor Information	

STATE	E-FILING	NOT E-FILING	NOTES
OKLAHOMA	514 Part 5, Partner Information, Section Guaranteed Payments and Allowable Oil and Gas Depletion 514 - PT	Schedule K-1 Equivalent	
OREGON	Schedule K-1 (Individuals Only) OC1 OC2	Nonresident Partners Filing Affidavit Schedule K-1 Equivalent	
PENNSYLVANIA	Schedule CP PA-65 Corp Schedule RK-1 Schedule NRK-1		
RHODE ISLAND	Schedule K-1	RI 1099-PT RI 1040C, Page 2, Qualified Electing Member Information	
SOUTH CAROLINA	Schedule K-1 Partner by Partner Detail Partner Credits SC 1099 MISC		
UTAH	Schedule K-1 Schedule N		
VERMONT	BA-406, Schedule K-1 VT, Page 2		

STATE	E-FILING	NOT E-FILING	NOTES
VIRGINIA	Schedule VK-1		
WEST VIRGINIA	Schedule K-1C Schedule SP NRW2	Sch K-1 Equivalent	
WISCONSIN	Schedule 3K-1 1CNP, Pg 2		

CHAPTER 3: HOW THE DK-1 TOOL WORKS

A client creates a *.CSV (Comma Separated Values) file based on the 2021_1065_DK1_MM-DD-YYYY.xls workbook, and then saves the *.CSV file that is created with a *.PX1 extension. This file containing the import information is used to populate the Schedule K-1, and the partner information fields in a new or existing locator.

- [Items Needed Prior to DK-1 Import \(page 8\)](#)
- [Reviewing the *.PX1 File \(page 8\)](#)
 - [Header Record \(page 9\)](#)
 - [Data Records \(page 11\)](#)
 - [Rules and Conventions - All Record Types \(page 14\)](#)
- [Terms and Definitions \(page 32\)](#)

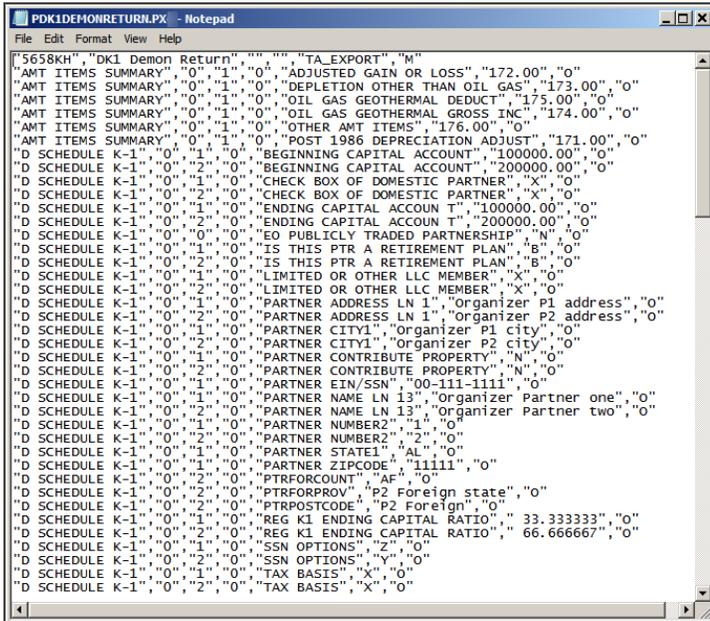
ITEMS NEEDED PRIOR TO DK-1 IMPORT

1. See the *Direct K-1 (DK-1) Import Tool Release Notes* for the current release. Included in these release notes are the changes for federal and state returns (such as new fields added, removed, or modified) for the current release.
2. The current version of the 2021_1065_DK1_MM-DD-YYYY.xls workbook is available from Customer Center. This workbook lists all of the Form and Field Names from the 1065 tax application that are available for Direct K-1 import, as well as format, attributes, and changes from prior releases.
3. Import file with a *.PX1 extension that includes the required form/field names according to the 2021_1065_DK1_MM-DD-YYYY.xls workbook.

REVIEWING THE *.PX1 FILE

Import files (*.PX1) can be viewed using Notepad (as shown below), Word Pad, or Excel. An import file contains lines of data called records that tells the system where to enter the data in a locator.

Reviewing the *.PX1 File



```

PDK1DEMONRETURNL.PX - Notepad
File Edit Format View Help
"5658KH","DK1 Demon Return","M","TA_EXPORT","M"
"AMT ITEMS SUMMARY","0","1","0","ADJUSTED GAIN OR LOSS","172.00","0"
"AMT ITEMS SUMMARY","0","1","0","DEPLETION OTHER THAN OIL GAS","173.00","0"
"AMT ITEMS SUMMARY","0","1","0","OIL GAS GEOTHERMAL DEDUCT","175.00","0"
"AMT ITEMS SUMMARY","0","1","0","OIL GAS GEOTHERMAL GROSS INC","174.00","0"
"AMT ITEMS SUMMARY","0","1","0","OTHER AMT ITEMS","176.00","0"
"AMT ITEMS SUMMARY","0","1","0","POST 1986 DEPRECIATION ADJUST","171.00","0"
"D SCHEDULE K-1","0","1","0","BEGINNING CAPITAL ACCOUNT","100000.00","0"
"D SCHEDULE K-1","0","2","0","BEGINNING CAPITAL ACCOUNT","200000.00","0"
"D SCHEDULE K-1","0","1","0","CHECK BOX OF DOMESTIC PARTNER","X","0"
"D SCHEDULE K-1","0","2","0","CHECK BOX OF DOMESTIC PARTNER","X","0"
"D SCHEDULE K-1","0","1","0","ENDING CAPITAL ACCOUNT","100000.00","0"
"D SCHEDULE K-1","0","2","0","ENDING CAPITAL ACCOUNT","200000.00","0"
"D SCHEDULE K-1","0","0","0","EO PUBLICLY TRADED PARTNERSHIP","N","0"
"D SCHEDULE K-1","0","1","0","IS THIS PTR A RETIREMENT PLAN","B","0"
"D SCHEDULE K-1","0","2","0","IS THIS PTR A RETIREMENT PLAN","B","0"
"D SCHEDULE K-1","0","1","0","LIMITED OR OTHER LLC MEMBER","X","0"
"D SCHEDULE K-1","0","2","0","LIMITED OR OTHER LLC MEMBER","X","0"
"D SCHEDULE K-1","0","1","0","PARTNER ADDRESS LN 1","Organizer P1 address","0"
"D SCHEDULE K-1","0","2","0","PARTNER ADDRESS LN 1","Organizer P2 address","0"
"D SCHEDULE K-1","0","1","0","PARTNER CITY1","Organizer P1 city","0"
"D SCHEDULE K-1","0","2","0","PARTNER CITY1","Organizer P2 city","0"
"D SCHEDULE K-1","0","1","0","PARTNER CONTRIBUTE PROPERTY","N","0"
"D SCHEDULE K-1","0","2","0","PARTNER CONTRIBUTE PROPERTY","N","0"
"D SCHEDULE K-1","0","1","0","PARTNER EIN/SSN","00-111-1111","0"
"D SCHEDULE K-1","0","1","0","PARTNER NAME LN 13","Organizer Partner one","0"
"D SCHEDULE K-1","0","2","0","PARTNER NAME LN 13","Organizer Partner two","0"
"D SCHEDULE K-1","0","1","0","PARTNER NUMBER2","1","0"
"D SCHEDULE K-1","0","2","0","PARTNER NUMBER2","2","0"
"D SCHEDULE K-1","0","1","0","PARTNER STATE1","AL","0"
"D SCHEDULE K-1","0","1","0","PARTNER ZIPCODE","11111","0"
"D SCHEDULE K-1","0","2","0","PTRFORCOUNT","AF","0"
"D SCHEDULE K-1","0","2","0","PTRFORPROV","P2 Foreign state","0"
"D SCHEDULE K-1","0","2","0","PTRPOSTCODE","P2 Foreign","0"
"D SCHEDULE K-1","0","1","0","REG KI ENDING CAPITAL RATIO","33.333333","0"
"D SCHEDULE K-1","0","2","0","REG KI ENDING CAPITAL RATIO","66.666667","0"
"D SCHEDULE K-1","0","1","0","SSN OPTIONS","Z","0"
"D SCHEDULE K-1","0","2","0","SSN OPTIONS","Y","0"
"D SCHEDULE K-1","0","1","0","TAX BASIS","X","0"
"D SCHEDULE K-1","0","2","0","TAX BASIS","X","0"

```

Figure 3:1

There are two record types that must be included in the Direct K-1 import/export file:

- [Header Record \(page 9\)](#)
- [Data Records \(page 11\)](#).

Header Record

The **Header Record** is the mandatory first record in the file. The header record must contain six data fields for placement of mandatory information such as the **Locator number**, **Entity name**, and **Replacement flag**. The header record must contain six (6) data fields separated by a comma. If the header record is incorrect in this regard, the import file will not be listed as a file available for import on the **Direct K-1 Import** screen. If any field in the header record is blank, the comma still must be present. A missing comma results in an invalid number of fields in the header record and this can cause problems with the Direct K-1 import.

The following is an example of a header record:

```
9526BN,"SAMPLE TEST FUND, LP",,,,M
```

FIELD NUMBER	CONTENTS	EXPLANATION
1	Tax return locator code	6-character alphanumeric code used by the system to identify a tax return
2	Taxpayer entity name line 1	Taxpayer entity name line 1
3	Taxpayer entity name line 2	Taxpayer entity name line 2
4	Client Code	Optional alphanumeric code used to categorize tax return
5	File source	Exports will contain TA_Export
6	Replacement Flag	Mandatory ; see Replacement Flag (below) for valid values

Replacement Flag: The replacement flag defines the manner in which the data fields in the target tax return are initialized. Exports default to an **R** flag. It is generally recommended to import with an **M** flag. Files with headers missing the replacement flag will fail import.

- **M: Field Level Replacement Flag.** (This is the recommended flag for import.) Only the specified fields in the import file are replaced. Existing data on fields not in the import file remain intact. Do not include the placeholder fields with the word *NONE*. It does not help minimize the processing time.
- **R: Return Level Replacement Flag.** All fields defined for import in the Direct K-1 workbook are wiped of any existing data and replaced with the incoming data in the import file. **Group Numbers** must always begin with 1 and be in consecutive order. **Group Numbers** are not required to be the same as partner numbers. Do not include a **Form Name** in the file that has no associated data. If line items contain data for some partners and not for others, use the word *NONE* for the ones that have no data. The word *NONE* may or may not import, depending on the type of field, but it keeps the data aligned correctly and prevents issues. If the word *NONE* is used in the import file for a field that e-file does not allow *NONE* to be used, the application strips out the *NONE* before creating the e-file to comply with the e-file requirements.
- **U: Form Level Replacement Flag.** All fields of each form name listed in the import file are wiped of existing data and replaced with the data in the file. **Group Numbers** must always begin with 1 and be in consecutive order. **Group Numbers** are not required to be the same as partner numbers. Do not include a **Form Name** in the file that has no associated data. If line items contain data for some partners and not for others, use the word *NONE* for the ones that have no data. The word *NONE* may or may not import, depending on the type of field, but it keeps the data aligned correctly and prevents issues. If the word *NONE* is used in the import file for a field that e-file does not allow *NONE* to be used, the application strips out the *NONE* before creating the e-file to comply with the e-file requirements.

- **S: Field Level Replacement Flag for Large Files.** This is the same as the **M** flag for use with import files that have 500,000 - 800,000 lines of data.

This flag should ONLY be used when the import file is sorted first by Group Number and then by Form Name. Use of this replacement flag in the sorted import file automatically splits the import file by **Form Name**, which requires less memory, and thereby allows the import to complete much faster. Do not include the place holder fields with the word *NONE*. It does not help minimize the processing time.

Data Records

Information in these records include the data that the client desires to populate in the locator. Data records contain seven (7) data fields (six [6] mandatory and one [1] optional). Each data field, except for the last field, must be separated by a comma even if the field contains no data. A data record that has a comma missing or is incorrect, will not stop the import. However, the desired data for that record will not be entered in the locator.

Refer to the worksheet **Org_Data_Dictionary** and the columns indicated for each field below in the data record. An example of a Direct K-1 data record is as follows:

```
GENERAL INFORMATION,0,0,0,PARTNERSHIP EIN,45-1234567
```

- **Field 1: Form Name** *mandatory*
- **Field 2: Copy Number.** If *YES*, there must be a value as part of the field identification. If blank, the value must be zero (0).

- **Field 3: Group Number.** If YES, there must be a value as part of the field identification. If blank, the value must be zero (0). The number must be in consecutive order without regard to the partner number.

5447	MS 84132	WITHDRAWALS AND DISTRIBUTIONS		
5448	MS 84132	WITHHOLDING		YES
5449	MT ADJ DETAIL	EVERYWHERE ADD AMOUNT	YES	YES
5450	MT ADJ DETAIL	EVERYWHERE ADD CODE	YES	YES
5451	MT ADJ DETAIL	EVERYWHERE ADD DESCRIPTION	YES	YES
5452	MT ADJ DETAIL	EVERYWHERE SUB AMOUNT	YES	YES
5453	MT ADJ DETAIL	EVERYWHERE SUB CODE	YES	YES
5454	MT ADJ DETAIL	EVERYWHERE SUB DESCRIPTION	YES	YES
5455	MT ADJ DETAIL	MT ADD AMOUNT	YES	YES
5456	MT ADJ DETAIL	MT ADD CODE	YES	YES
5457	MT ADJ DETAIL	MT ADD DESCRIPTION	YES	YES
5458	MT ADJ DETAIL	MT SUB AMOUNT	YES	YES
5459	MT ADJ DETAIL	MT SUB CODE	YES	YES
5460	MT ADJ DETAIL	MT SUB DESCRIPTION	YES	YES
5461	MT SCHED IV	FM PR LN 15		

Copy Number Group Number

Figure 3:2

"MT ADJ DETAIL", "1", "1", "0", "EVERYWHERE ADD AMOUNT", "122.00", "0"	First partner's
"MT ADJ DETAIL", "1", "2", "0", "EVERYWHERE ADD AMOUNT", "123.00", "0"	
"MT ADJ DETAIL", "2", "1", "0", "EVERYWHERE ADD AMOUNT", "233.00", "0"	2nd partner's
"MT ADJ DETAIL", "2", "2", "0", "EVERYWHERE ADD AMOUNT", "234.00", "0"	
"MT ADJ DETAIL", "1", "1", "0", "EVERYWHERE ADD CODE", "1AA", "0"	First partner's
"MT ADJ DETAIL", "1", "2", "0", "EVERYWHERE ADD CODE", "1AB", "0"	
"MT ADJ DETAIL", "1", "1", "0", "EVERYWHERE ADD CODE", "1AA", "0"	
"MT ADJ DETAIL", "2", "2", "0", "EVERYWHERE ADD CODE", "1AB", "0"	2nd partner's
"MT ADJ DETAIL", "1", "1", "0", "EVERYWHERE ADD DESCRIPTION", "addition 1 for partner one", "0"	First partner's
"MT ADJ DETAIL", "1", "2", "0", "EVERYWHERE ADD DESCRIPTION", "addition 2 for partner one", "0"	
"MT ADJ DETAIL", "2", "1", "0", "EVERYWHERE ADD DESCRIPTION", "Addition 1 for partner two", "0"	2nd partner's
"MT ADJ DETAIL", "2", "2", "0", "EVERYWHERE ADD DESCRIPTION", "Addition 2 for partner two", "0"	
"MT ADJ DETAIL", "1", "1", "0", "EVERYWHERE SUB AMOUNT", "122.00", "0"	
"MT ADJ DETAIL", "1", "2", "0", "EVERYWHERE SUB AMOUNT", "123.00", "0"	
"MT ADJ DETAIL", "3", "1", "0", "EVERYWHERE SUB AMOUNT", "99.00", "0"	
"MT ADJ DETAIL", "3", "2", "0", "EVERYWHERE SUB AMOUNT", "100.00", "0"	
"MT ADJ DETAIL", "1", "1", "0", "EVERYWHERE SUB CODE", "1SM", "0"	
"MT ADJ DETAIL", "1", "2", "0", "EVERYWHERE SUB CODE", "1SA", "0"	
"MT ADJ DETAIL", "3", "1", "0", "EVERYWHERE SUB CODE", "1SA", "0"	
"MT ADJ DETAIL", "3", "2", "0", "EVERYWHERE SUB CODE", "1SE", "0"	
"MT ADJ DETAIL", "1", "1", "0", "EVERYWHERE SUB DESCRIPTION", "Subtraction 1 for Partner one", "0"	
"MT ADJ DETAIL", "1", "2", "0", "EVERYWHERE SUB DESCRIPTION", "Subtraction 2 for partner one", "0"	
"MT ADJ DETAIL", "3", "1", "0", "EVERYWHERE SUB DESCRIPTION", "subtraction 1 for partner three", "0"	
"MT ADJ DETAIL", "3", "2", "0", "EVERYWHERE SUB DESCRIPTION", "subtraction 2 for partner three", "0"	

Figure 3:3

- **Field 4: Subgroup Number.** If YES, there must be a value as part of the field identification. If blank, the value must be zero (0)

- **Field 5: Field Name** *mandatory*
- **Field 6: Field Data Value.** The data value that you wish to populate in the field inside the locator.
- **Field 7: Field Type.** On export the value will be *O* for Organizer type or *T* for Tax form type. This field is optional for import.

Rules and Conventions - All Record Types

Quotation Marks

Comma delimited protocol requires that text values that contain a comma character be enclosed in quotation marks. Beyond that specific condition, text values in comma delimited files do not have to be enclosed in quotation marks, but doing so causes no harm.

The following example of a header record shows the one condition where a data value must be enclosed in quotation marks:

```
PD2165,"State Electric Partners, LP",,72-9876543,,U
```



In a Direct K-1 export file, all data fields in the header record and data records are enclosed in quotation marks. The quotation marks will not adversely impact the use of the export file as an import file, nor will the quotation marks adversely impact the parsing of the header record and data records if the file is opened in the Excel spreadsheet application.

Embedded Quotation Marks

Quotation marks are not allowed within a data field value. For example, the taxpayer entity name in the header record shown below is invalid because it contains embedded quotation marks around the subordinate value OR.

```
TL3954,Oregon "OR" Partners,,84-4445522,,M
```

As shown below, single quotation marks can be used in place of quotation marks to set off a subordinate value within a data field value.

```
TL3954,Oregon 'OR' Partners,,84-4445522,,M
```

Carriage Return and Line Feed Pair

Carriage return characters (ASCII code 13) and line feed characters (ASCII code 10) should not be used to terminate a data field value either individually or as a pair. Comma delimited protocol interprets either code or the combination of the codes as the end of a logical record.

CHAPTER 4: USING THE DK-1 COMPARISON

Using Microsoft Excel, open the 2021_1065_DK1_MM-DD-YYYY.xls workbook.

Form	Field	Data_Cop	Data_Grov	Data_Subi	EOrig	Data_Leng	Data_Typ	Data_Prev	Required	Juris	Description
1065-B	SCI GENERAL CREDITS	YES			X18.12.13	15	Dollar	0	F	F	GENERAL CREDITS
1065-B	SCI LOW INCOME HOUSING CREDIT	YES			X18.12.13	15	Dollar	0	F	F	LOW INCOME HOUSING CREDIT
1065-B	SCI NET CAP FROM OTH	YES			X18.11.13	15	Dollar	0	F	F	NET CAPITAL GAIN OR LOSS FROM OTHER ACTIVITIES
1065-B	SCI NET CAP (GAIN FROM)	YES			X18.11.13	15	Dollar	0	F	F	NET CAPITAL GAIN OR LOSS FROM PASSIVE ACTIVITIES
1065-B	SCI NET OTHER AMT ADJ	YES			X18.11.13	15	Dollar	0	F	F	NET OTHER AMT ADJUSTMENTS
1065-B	SCI NET PASSIVE AMT AT	YES			X18.11.13	15	Dollar	0	F	F	NET PASSIVE AMT ADJUSTMENT
1065-B	SCI NONRECOURSE LIAB	YES			PARK1NR	20	Alphanu	0	F	F	NONRECOURSE LIABILITIES
1065-B	SCI OTHER LIABILITIES	YES			PARK1OT	20	Alphanu	0	F	F	OTHER LIABILITIES
1065-B	SCI QUALIFIED DIVIDEND	YES			X18.11.13	15	Dollar	0	F	F	QUALIFIED DIVIDENDS
1065-B	SCI QUALIFIED NONREC	YES			PARK1QR	20	Alphanu	0	F	F	QUALIFIED NONRECOURSE LIABILITIES
1065-B	SCI TAXABLE INC FRO OT	YES			X18.11.13	15	Dollar	0	F	F	TAXABLE INCOME FROM OTHER ACTIVITIES
1065-B	SCI TAXABLE INCOME FR	YES			X18.11.13	15	Dollar	0	F	F	TAXABLE INCOME FROM PASSIVE ACTIVITIES
1CNP	FED AGI	YES			X235.1560	3	Dollar	0	F	F	Federal AGI
1CNP	FILING STATUS	YES			X235.1560	3	Alphanu	0	F	F	Filing status
1CNP	WITHHOLDING	YES			X235.1560	3	Dollar	0	F	F	Withholding paid
AMT	ITEM ADJUSTED GAIN OR	LYES			PARK1L	16	Dollar	0	F	F	
AMT	ITEM DEPLETION OTHER	TYES			PARK1L	16	Dollar	0	F	F	
AMT	ITEM OIL GAS GEOTHERM	YES			PARK1L	16	Dollar	0	F	F	
AMT	ITEM OIL GAS GEOTHERM	YES			PARK1L	16	Dollar	0	F	F	
AMT	ITEM OTHER AMT ITEMS	YES			PARK1L	16	Dollar	0	F	F	
AMT	ITEM POST 1986 DEPRE	CIA YES			PARK1L	16	Dollar	0	F	F	
D SCHEDU	ALABAMA COMPOSIT	YES			AL	1	Alpha	0	F	F	Enter X to indicate partner is a nonresident of Alabama and will be filing the composite
D SCHEDU	ARKANSAS COMPOSIT	YES			AR	1	Alpha	0	F	F	ARKANSAS COMPOSITE
D SCHEDU	BEGINNING CAPITAL	YES			PARBEGC	15	Dollar	0	F	F	BEGINNING CAPITAL ACCOUNT
D SCHEDU	BEGINNING CAPITAL	YES			PARBEGC	10	Alphanu	0	F	F	Beginning capital ratio
D SCHEDU	BEGINNING LOSS RA	YES			PARBEGLC	10	Alphanu	0	F	F	Beginning loss ratio

Figure 4:1

The workbook contains several spreadsheets that provide information needed to complete the *.PX1 import file. An explanation of the information in each spreadsheet can be found in the [Terms and Definitions \(page 32\)](#) section.

Note that many of the terms referred to prior versions and the current version. Make a note of what has changed from the prior version.

Any items that are listed in the **Discontinued**, **Changes** or **New** spreadsheets requires an adjustment in your import file (*.PX1) if you are using the specific field listed.

To determine if the information in the DK1 Comparison workbook impacts your import, perform the following tasks:

1. Open the 2021_1065_DK1_MM-DD-YYYY.xls workbook.
2. Review all of the spreadsheets
3. If the **Discontinued**, **Changes**, or **New** spreadsheets have data, this means your existing import file, *.PX1, will need to be adjusted accordingly.

CHAPTER 5: PERFORMING AN IMPORT

1. In the RS Browser, click the **Returns Processing** tab.
2. Click **Import/Export** to open the menu item.
3. Click **Import** to display the import screen.
4. From the drop-down list, select *Direct K-1* as the **Import Type**.
5. Select the **Account number** (XXXX), the tax **Year** (2021), and the **Tax Type** (1065).
6. Click the **Browse for File** button, as shown below.

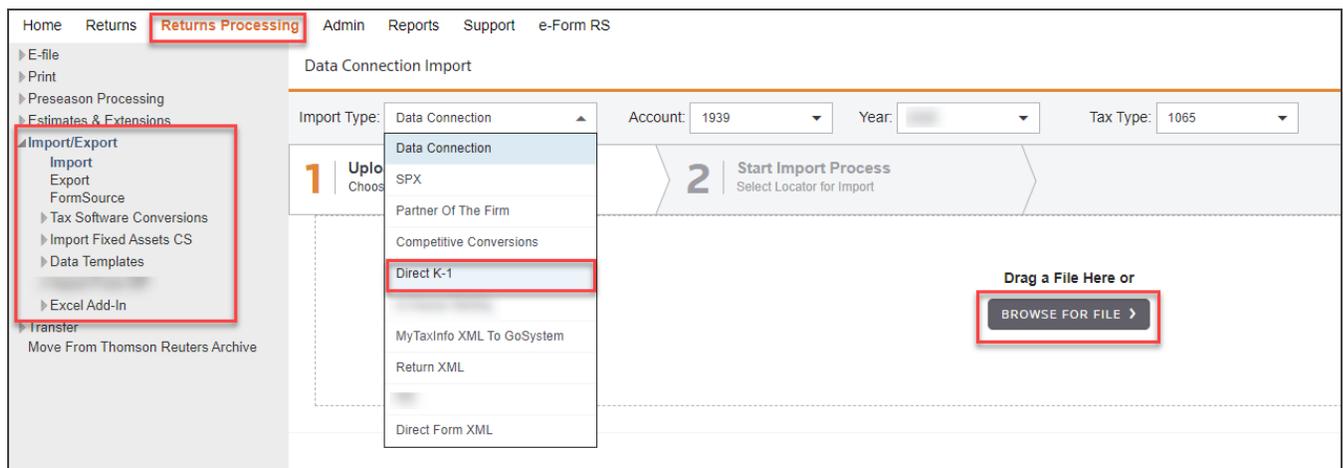


Figure 5:1

7. The **Open** dialog box is displayed. Navigate to the location where the desired *.PX1 file is located. Highlight the file name, and click **Open**.



Only the *.PX1 file type is available for import.

8. The Direct K-1 (*.PX1) file appears under the **Browse for File** button.

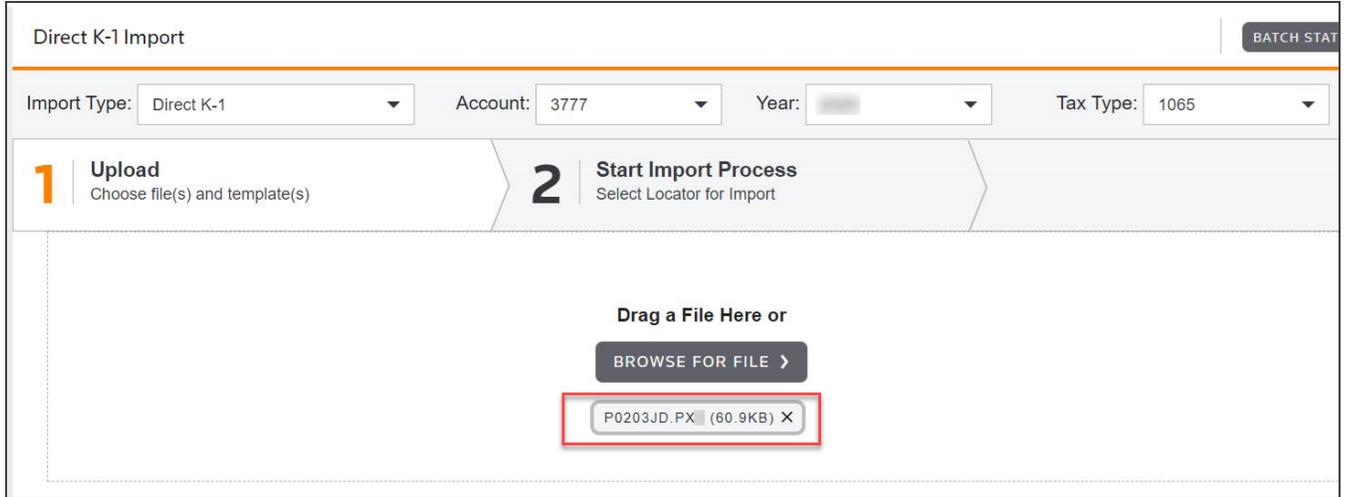


Figure 5:2

 The DK-1 import file (*.PX1) must have a valid header record in order to show up for import.

9. Select the check box next to the import file in the list, and click the **Import** button.

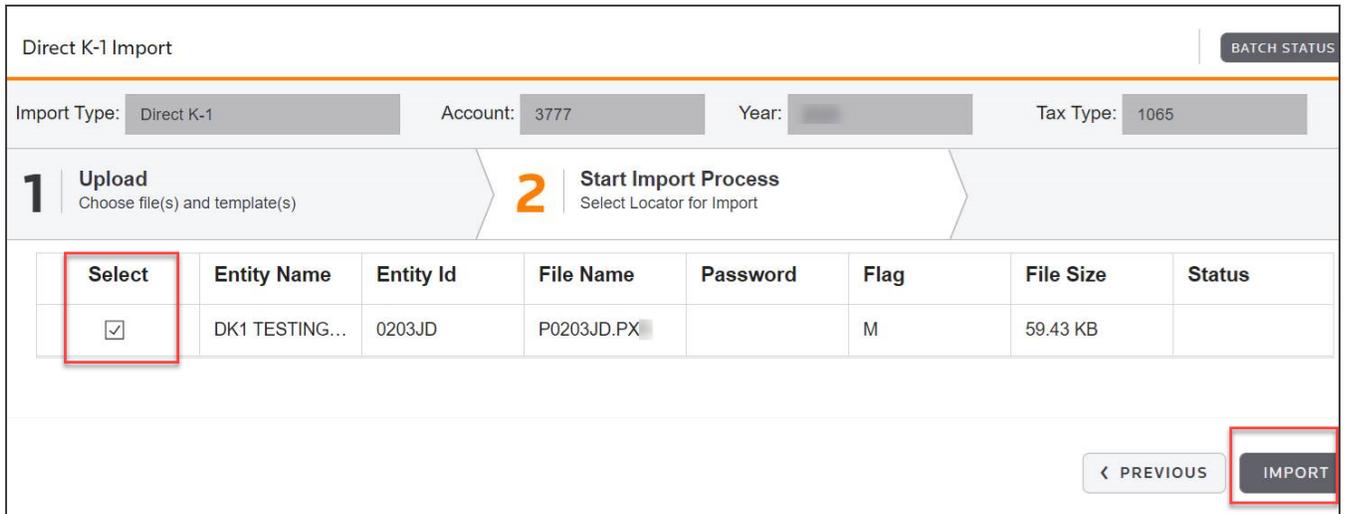


Figure 5:3

10. Information about the entity selected is displayed on the **Direct K-1 Import** screen. Verify the information, make a note of the import batch job number, and click the **OK** button.

Direct K-1 Import ✕

Account	Year	Tax Type
3777	████	P

Entity Name	File Name	Status
DK1 TESTING Import,	P0203JD.PX	Import Job Queued

Import Batch Job :177023

1 returns queued

0 returns rejected

Figure 5:4

11. When done, click the **Batch Status** button in the upper right corner of the screen.

Direct K-1 Import BATCH STATUS

Import Type: Direct K-1 Account: 3777 Year: █████ Tax Type: 1065

Figure 5:5

- On the **Batch Status** screen, enter a range of dates in the **Date Batch Submitted** section, and then click **Continue**. This retrieves a list of all batches that fall within the date range specified.

Batch Status

Date Batch Submitted

From (MM/DD/YYYY):

To (MM/DD/YYYY):

Figure 5:6

- Click a **Batch ID** underlined link to see the batch status.

Direct K-1 Import Batches Found:

Date/Time	Tax Year	Tax Type	Items	Batch ID
		1065	1	<u>XXXXXXXXXX</u>

1 batch found.

Figure 5:7

- If the **Import Status** shows a *Queued for Import* message, click the **Refresh** button until *File Import Complete* is displayed in the **Import Status** column. When finished, the **Import Status** displays a *File Import Complete* message, as shown below. Then click the **Cancel** button.

Direct K-1 Import Batch Details

Import Status for Batch ID :

Import File	EntityName	Locator	Import Status	WIP Status
P2453KI.PX	ALL line testing EXPORT for DK1,	1322KJ	File Import Complete	None

1 record returned.

[Save feature for IE10 & above only]

Figure 5:8

SCHEDULE K-3

Special precautions must be taken when the return includes Schedule K-3 data for import.



In order to see these sections, you must include the following forms and field names in the import file.

Navigation Tree (Tax Form)	Form name	Field name	Interesting Field Erog	Group field
Schedule K-3, Page 12, Part VI	SCHEDULE K-3 TF	951 A1 951A INCL SEP CAT CODE	X219.137.129	Y
Schedule K-3, Page 15-16, Part VIII	SCHEDULE K-3 TF	PFIC 960 NAME OF CFC	X219.293.128	Y
Schedule K-3, Page 20, Part XIII	SCHEDULE K-3 W	FP SHAR DEEM SALE DESC MAND	X219.822.158	Y

Figure 5:9

1. If the direct K-1 import cannot populate automatically, you must check the following Organizer check box under the **Foreign Information** folder. (**Organizer > Foreign Information > Ptr Distributive Share-International, K-2, K-3 Activation and General Info**)

The screenshot shows the software interface with the following components:

- Organizer Panel:** Shows a tree view under 'Foreign Information' > 'Ptr Distributive Share-International' > 'K-2, K-3 Activation and General Info'. The checkbox 'Activate Schedules K-2 and K-3 (Mandatory)' is highlighted with a red box.
- Field Info Panel:** Displays technical details for the selected field, including:
 - Windows Area : 218
 - Windows Screen : 3
 - XrefName : K2K3TRIG
 - Desc : <No Desc found>
 - Level : 0
 - Group[0-4] : 0,0,0,0,0
 - Area : 218
 - Screen : 342
 - Field : 1
 - Object Field Id : 9
 - Object data type : 20
 - Server object # : 3

Figure 5:10

2. Before performing an import and preferably before the partner allocations is activated, verify that the Schedule K-3 box is checked to turn off partner allocations to Schedule K-3. (**Organizer > Partner Allocations Disabled**)

Enable partner allocations

DISABLE SCHEDULE K3 ALLOCATIONS

Schedule K-3

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

DISABLE ALLOCATION FOR STATES AND CITIES

Figure 5:11

- If data exists in **Tax Forms > Schedule K-3 Partner International**, delete it. To do so, go to **Organizer > Partner Information > Partner by Partner Data > Common Partner Data > Common K-3 Print Options**, and click the **Delete ALL Schedule K-3** button.

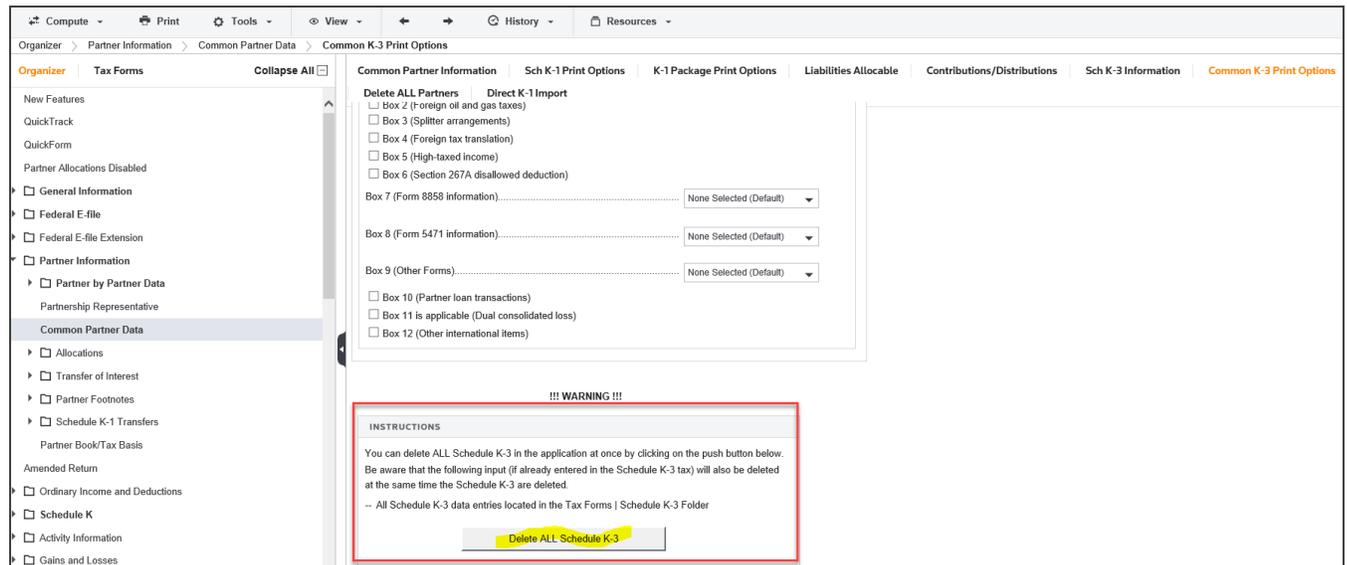


Figure 5:12

CHAPTER 6: PERFORMING AN EXPORT

To create an export, make sure that your login ID for RS Browser does not contain **any** spaces.

1. In the RS Browser, click the **Returns Processing** tab.
2. Click **Import/Export** to open the menu item.
3. Click **Export** to open the **Direct K-1 Export** screen.
4. Select *Direct K-1* from the drop-down list. Be sure you have the correct **Account** for your locator (XXXX), the correct **Year** (2021), and the **1065 Tax Type**. Click the **Continue** button.

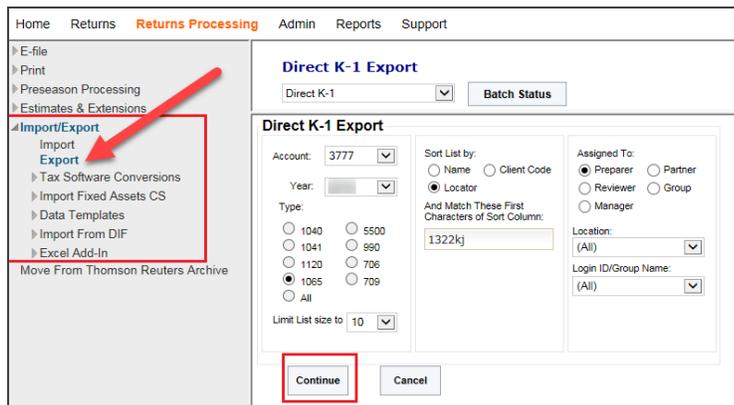


Figure 6:1

5. Select the check box to the left of the return you want to export. Then click the **Continue** button.



Figure 6:2

6. Verify the information about the export file, and click the **Close** button.

Direct K-1 Export			
Firm	Account	Year	Tax Type
FT	3777		1065
Locator		Status	
1322KJ		Export Queued	

Export Batch job: 71713
1 returns queued
0 returns rejected

Close

Figure 6:3

7. Return to the **Direct K-1 Export** screen, and click the **Batch Status** button.

Direct K-1 Export

Direct K-1

Direct K-1 Export

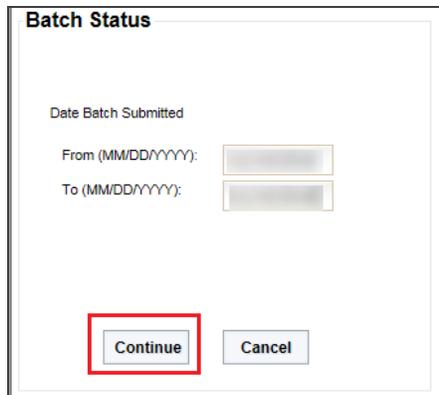
Account: 3777
Year:
Type:
 1040 5500
 1041 990
 1120 706
 1065 709
 All
Limit List size to: 10

Sort List by:
 Name Client Code
 Locator
And Match These First Characters of Sort Column:

Assigned To:
 Preparer Partner
 Reviewer Group
 Manager
Location:
Login ID/Group Name:

Figure 6:4

8. Enter a date, or range of dates if needed, under **Date Batch Submitted**. Click the **Continue** button.



Batch Status

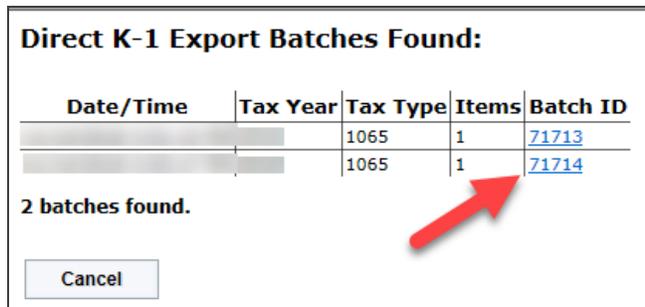
Date Batch Submitted

From (MM/DD/YYYY):

To (MM/DD/YYYY):

Figure 6:5

9. Click the selected **Batch ID** underline link.



Direct K-1 Export Batches Found:

Date/Time	Tax Year	Tax Type	Items	Batch ID
	1065		1	71713
	1065		1	71714

2 batches found.

Figure 6:6

10. If the **Export Status** column shows *Queued for Export*, click the **Refresh** button until the **Export Status** shows *File Export Complete*. When the **Export Status** column shows *File Export Complete*, click the **Download All** button.



Figure 6:7

11. A popup screen appears at the bottom of the screen. Click the **Save** button's down-pointing arrow and select **Save**, **Save As** (recommended), or **Save and Open**.



Figure 6:8

12. When you open or view the downloaded ZIP file, the file contains the exported *.PX1 file.

CHAPTER 7: SUGGESTED BEST PRACTICES

1. Use the latest 2021_1065_DK1_MM-DD-YYYY.xls DK1 Comparison, available for download from Customer Center.
2. Review the release notes. We will update the release notes when there is a change to the *DK1 Comparison*.
3. Use the correct replacement flag in the header. The replacement flag defines the manner in which the data fields in the target tax return are initialized. Exports default to an **R** flag. It is generally recommended that you import with an **M** flag. Files with headers missing the replacement flag will fail to import. For more information on the replacement flags, see below.
4. A new return (a blank return or with minimal data) works faster and more efficient than an existing return that already has data.



When using an existing return, all allocation formulas will activate during the mini compute. This can consume a lot of time and resources.

5. When using an existing return, disable the **Partner Allocations** option and suppress the **Letters and Filing Instructions** option located in the Organizer before importing data.
6. When working with a large import file (approximately 800,000+ lines), we recommend that you divide the file up into different files and import the information into the same locator from the separate files.



Keep in mind: The smaller the file, the faster the import.

7. The estimated time for the import to be completed depends on the type of locator (new or existing), number of lines in the import file, and most of all network traffic. New returns with 800,000+ lines could be completed within 1-2 hours. Depending on the file size prior to imports, existing returns with 800,000+ lines in the import file could be completed within 3-4 hours.
8. If you are preparing state returns that are not included in the DK-1 Import Tool, create a new locator for those states so that you can use Partner Bridge to import the partner information.

Replacement Flags

Replacement Flag: The replacement flag defines the manner in which the data fields in the target tax return are initialized. Exports default to an **R** flag. It is generally recommended to import with an **M** flag. Files with headers missing the replacement flag will fail import.

- **M: Field Level Replacement Flag.** (This is the recommended flag for import.) Only the specified fields in the import file are replaced. Existing data on fields not in the import file remain intact. Do not include the placeholder fields with the word *NONE*. It does not help minimize the processing time.
- **R: Return Level Replacement Flag.** All fields defined for import in the Direct K-1 workbook are wiped of any existing data and replaced with the incoming data in the import file. **Group Numbers** must always begin with 1 and be in consecutive order. **Group Numbers** are not required to be the same as partner numbers. Do not include a **Form Name** in the file that has no associated data. If line items contain data for some partners and not for others, use the word *NONE* for the ones that have no data. The word *NONE* may or may not import, depending on the type of field, but it keeps the data aligned correctly and prevents issues. If the word *NONE* is used in the import file for a field that e-file does not allow *NONE* to be used, the application strips out the *NONE* before creating the e-file to comply with the e-file requirements.
- **U: Form Level Replacement Flag.** All fields of each form name listed in the import file are wiped of existing data and replaced with the data in the file. **Group Numbers** must always begin with 1 and be in consecutive order. **Group Numbers** are not required to be the same as partner numbers. Do not include a **Form Name** in the file that has no associated data. If line items contain data for some partners and not for others, use the word *NONE* for the ones that have no data. The word *NONE* may or may not import, depending on the type of field, but it keeps the data aligned correctly and prevents issues. If the word *NONE* is used in the import file for a field that e-file does not allow *NONE* to be used, the application strips out the *NONE* before creating the e-file to comply with the e-file requirements.
- **S: Field Level Replacement Flag for Large Files.** This is the same as the **M** flag for use with import files that have 500,000 - 800,000 lines of data.

This flag should ONLY be used when the import file is sorted first by Group Number and then by Form Name. Use of this replacement flag in the sorted import file automatically splits the import file by **Form Name**, which requires less memory, and thereby allows the import to complete much faster. Do not include the placeholder fields with the word *NONE*. It does not help minimize the processing time.

CHAPTER 8: TROUBLESHOOTING TIPS

1. The filename for an import file is limited to 30 characters, including the four character filename extension. If the filename does not meet these criteria, the import file will not be uploaded from the user's workstation to the tax application and, consequently, cannot be imported.
2. The filename can include spaces but cannot include special characters, such as "*/: > < ? \ |.
3. The header record of an import file must contain six data fields. If the file is in error in this regard, the file will not show up on the import screen when the folder containing the import file is selected.
4. The last data field in the header record of an import file must contain the replacement flag. If the replacement flag value is not included or is not one of the four (4) acceptable values (**M, R, U, S**), the file will not show on the import screen when the folder containing the import file is selected.
5. If the partner information is not flowing into the Organizer from the import file, check to make sure you have the required fields included in the import file. The mandatory field names for partner information to import are as follows:

Form Name: D SCHEDULE K-1/ Field name

PARTNER NAME LN 13 - Name line 1:

Form Name: D SCHEDULE K-1/ Field Name: PARTNER Number 2 - Partner number

6. If information you are expecting to flow to a line is not showing, be sure that your import file has the correct Form Name and Field Name for the information you are expecting to see on a particular line.
7. If the partner information populates in the Organizer from the import file, but the Partner SSN/EIN does not populate on the Schedule K-1 tax form, check to make sure that you have the required Partnership Information form/field names included in the *.PX1 import file. The partner's SSN/EIN will not populate on Schedule K-1 tax form if partnership information is not populated in the locator.

CHAPTER 9: TERMS AND DEFINITIONS

ORG_DATA_DICTIONARY This worksheet lists all of the fields enabled for Direct K-1 import and export. It includes pertinent information such as form name, field name, EOrgXREF name and the correct format of data, such as field data type, field length, data copy, data group, and so forth.

TXF_DATA_DICTIONARY N/A

WKP_DATA_DICTIONARY N/A

REQUIRED_FIELDS This worksheet lists all form and field combinations that are required to be in an import file if the subject activity member or group member is to be created. Required fields do not need to be included in the import file if the import simply changes one or more fields in an existing activity or group member.

DISCONTINUED_FORMS This worksheet lists forms included in the prior version (PV) **Org_Data_Dictionary** that are no longer included in the current version (CV) **Org_Data_Dictionary** worksheet.

DISCONTINUED_FORM_FIELDS This worksheet lists form, field, and EOrgXREF combinations of the all discontinued fields that were included in the prior version (PV) **Org_Data_Dictionary** that are no longer included in the current version (CV) **Org_Data_Dictionary** worksheet regardless of whether the form name has been discontinued or is still active.

DISCONTINUED_FIELDS This worksheet lists form, field, and EOrgXREF combinations of whose form name is still active and that were included in the prior version (PV) **Org_Data_Dictionary** that are no longer included in the current version (CV) **Org_Data_Dictionary** worksheet.

FIELD_CHANGES This worksheet lists form, field, and EOrgXREF combinations for which the field name changed for the current version (CV). The previous version (PV) field name must be updated to the current version (CV) field name or the data will fail to import.

DATA_CHANGES This worksheet lists form, field, and EOrgXREF combinations for which the attributes of the field has changed in the current version (CV). The data must conform to the current version (CV) data type, data length and data precision or the data may fail to import correctly.

NEW_FORM_NAMES This worksheet lists new form names in the current version (CV) **Org_Data_Dictionary**. These form names were not included in the prior version (PV) **Org_Data_Dictionary**.

NEW_FORM_FIELDS This worksheet lists the form, field and EOrgXREF combinations of the field included on the forms listed in the **NEW_FORM_NAMES** worksheet.

NEW_EORGXREF_NAMES This worksheet lists the changed EOrgXREF for form and field combinations included in both the prior version (PV) **Org_Data_Dictionary** and the current version (CV) **Org_Data_Dictionary**.

STRING_VALUES This worksheet lists in the **String_Value** column, the values to be used to import into drop-down lists. The screen type (*O=Organizer, T=Tax form, W=Workpaper*), form, field and string text description of the field is also listed.

DISCONTINUED_STRING_VALUES This worksheet lists in the **String_Value** column, the values that are no longer valid for import into the associated drop-down lists. The screen type (*O=Organizer, T=Tax form, W=Workpaper*), form, field, and string text description of the field are also listed.

NEW_STRING_VALUES This worksheet lists the values for new drop-down lists that have been added in the current version (CV). The screen type (*O=Organizer, T=Tax form, W=Workpaper*), form, field, and string text description of the field are also listed.

CHANGED_STRING_VALUES This worksheet lists in the **String_Value** column, changed values for import into the associated drop-down lists which are in the prior version (PV) and the current version (CV). The screen type (*O=Organizer, T=Tax form, W=Workpaper*), form, field, and string text description of the field are also listed.