

# 2014 Oregon Schedule K-1

## Distributive Share of Income, Deductions, Credits, etc. For Individual Owners of Pass-Through Entities

Final K-1     Amended K-1

For calendar year 2014 or fiscal year beginning \_\_\_\_\_, 2014 and ending \_\_\_\_\_, 20\_\_\_\_\_.

### Part I—Pass-Through Entity (PTE) information

Partnership     S Corporation

PTE FEIN	PTE BIN	PTE name		
PTE address		City	State	ZIP code

### Part II—Owner information

Owner's SSN	Owner's name	Owner's address		
<input type="checkbox"/> General partner or LLC member manager <input type="checkbox"/> Limited partner or other LLC member <input type="checkbox"/> Shareholder		City	State	ZIP code
Oregon resident? <input type="checkbox"/> Yes <input type="checkbox"/> No	If no, state of legal residence	If a nonresident, check the appropriate box <input type="checkbox"/> Form OC <input type="checkbox"/> Form OR-19 <input type="checkbox"/> Affidavit <input type="checkbox"/> Not required		Owner's share of profit and loss/stock ownership
		Beginning	%	End %

### Part III—Distributive share items

PTE Oregon apportionment percentage \_\_\_\_\_%

	(a)	(b)	(c)
	Federal column	Oregon column	Form 40N line numbers
<b>Income (losses)</b>			
1 Ordinary business income (loss) .....			18
2 Net rental real estate income (loss) .....			18
3 Other net rental income (loss) .....			18
4 Guaranteed payments to partners .....			18
5 Interest income .....			9
6 Ordinary/Qualified dividends .....			10
7 Royalties .....			18
8 Net short-term capital gain (loss) .....			14
9 Net long-term capital gain (loss) .....			14
10 Net section 1231 gain (loss) .....			14
11 Other income (loss)(attach schedule) .....			Varies
<b>Adjustments</b>			
12 IRC section 179 expense .....			18
13 Other adjustments (attach schedule) .....			28
<b>Oregon additions</b>			
14 Interest on state & local gov't bonds .....			31
15 Other additions (attach schedule) .....			33
<b>Oregon subtractions</b>			
16 U.S. government interest .....			37
17 Depreciation .....			37
18 Other subtractions (attach schedule) .....			37
<b>Oregon credits</b>			
19 Credits (attach schedule).....			56
<b>Payments for nonresidents</b>			
20 PTE owner payment from Form OR-19.....			61
21 Tax paid on Form OC filed on owner's behalf .....			

**Keep this schedule with your tax records. Do not submit with your individual tax return, Form 65, or Form 20-S.**

# Instructions for Oregon Schedule K-1

The Oregon Schedule K-1 is used to provide an individual owner of a pass-through entity (PTE) with information necessary to complete their Oregon income tax return.

PTEs are **not** required to use or submit this schedule with Oregon Form 65 or Form 20-S. Individual owners are **not** required to submit this schedule with their Oregon income tax returns.

The Oregon Schedule K-1 is not designed to substitute for a federal Schedule K-1 and is not designed for owners that are corporations, estates, trusts, or other PTEs.

## Instructions for Pass-Through Entities

Provide a copy of this form to individual owners for Oregon tax reporting purposes.

**Heading**—If this is a final or amended K-1, check the appropriate box. For a PTE filing for a fiscal or short tax year, enter the start and end date for the K-1.

### Part I—Pass-Through Entity (PTE) Information

Check the box according to how the PTE files: partnership or S corporation.

### Part II—Owner Information

**Owner's SSN**—Enter the owner's Social Security number.

**Owner's name, address, city, state and ZIP code**—Enter the owner's full name, street address, city, state and zip code.

**Owner's member type**—Check the proper box to show if the owner is a general partner, LLC member manager, limited partner or other LLC member, or shareholder.

**Oregon residency**—Check the appropriate box. If the owner is a nonresident, indicate the state of legal residence.

**Nonresident owners**—If the owner is a nonresident, check the appropriate box regarding the PTE's requirements for this owner. If the owner joined a composite return (Form OC) filed by the PTE, mark the Form OC checkbox and complete line 21 in Part III. If the nonresident owner did not join the Form OC, the PTE is generally required to submit estimated payments (PTE owner payments—Form OR-19). If the PTE made PTE owner payments on behalf of the owner, mark the Form OR-19 checkbox and complete line 20 in Part III. If payments weren't submitted because the owner submitted an affidavit, mark the Affidavit checkbox. If the PTE was not required to submit payments for this owner, mark the not required checkbox.

For more information on these requirements, see the Form OR-19 or Form OC instructions.

**Owner's share of profit and loss/stock ownership**—Enter the owner's beginning and ending pro rata share percentage of profit and loss, or stock ownership.

### Part III—Distributive Share Items

Enter the Oregon apportionment percentage for the PTE. If all business was transacted within Oregon, enter 100%. Otherwise, enter the amount from Schedule AP-1, line 22.

**For Oregon residents**—Complete lines 1-18 of the federal column (a) and line 19, column (b). You will not use lines 1-18 of the Oregon column (b) for Oregon residents.

**For nonresidents**—Complete both the federal column (a) and the Oregon column (b). The amounts in the federal column (a) are reported as if the owner was a full-year Oregon resident. The amounts in the Oregon column (b) are the Oregon source portion of the item allocated or apportioned to Oregon. Report any tax payments made on the owner's behalf from the composite return on line 21 (Form OC) or any estimated payments made on the owner's behalf on line 20 (Form OR-19).

**Domestic production activities deduction (DPAD)**—Do not include domestic production activities information or qualified production activities income from the federal Schedule K-1 on line 15 of the federal or Oregon columns. The DPAD add-back is still required for Oregon, but the amount of the federal deduction is calculated by the individual owner using federal Form 8903 with the information provided on the federal Schedule K-1.

### Column (a)—Federal Column

**Lines 1–13**—Enter the amounts from the federal Schedule K-1 where appropriate. On line 13, report adjustments owners can claim on their federal return from line 13 of federal Schedule K-1 (Form 1065) or line 12 of federal Schedule K-1 (Form 1120-S).

**Lines 14–18**—Enter the owner's pro rata share for each addition and subtraction.

### Column (b)—Pro rata share of Oregon source items

For the Oregon amounts, you generally will multiply the owner's Oregon percentage by the owner's pro rata share in the federal column. Do not use lines 1–18 of the Oregon column (b) for full-year residents.

**Lines 1–13**—Enter the owner's pro rata share of income apportioned and allocated to Oregon. Enter losses and adjustments in parentheses.

**Lines 14–18**—Enter the owner's pro rata share of Oregon additions and subtractions. Enter all amounts as positive.

**Line 19**—Enter the owner's share of Oregon credits.

**Line 20**—For nonresidents only, enter the total estimated tax payments submitted on behalf of the owner as reported on Form OR-19.

**Line 21**—For nonresidents only, enter the tax paid on behalf of the owner from Form OC.

For other income, adjustments, additions, subtractions, and credits, attach a separate schedule listing each item. Include the codes for individual income taxpayers. For the codes, see the list at the end of 2014 *Publication 171½* and the instructions regarding partnership and S corporation modifications and credits. You may use Schedule OR-ASC for resident owners or OR-ASC-N/P for nonresident owners to list the codes and amounts for each owner.

## Instructions for individual owners

Use the information provided to complete your Oregon return if you are required to file. Do **not** attach the Oregon Schedule K-1 to your individual return. Keep the schedule with your tax records.

Losses may only be claimed to the extent that they are included in federal adjusted gross income.

**Nonresident individuals**—If required to file, report the amounts on the lines of your Form 40N as indicated in column (c). The amounts in column (a) should be included on your federal return which should match the federal column of Form 40N. Enter the amounts

in column (b) of this schedule in the Oregon column of your Form 40N along with any other Oregon source income. **Important:** You are **not** required to file an Oregon return if you participated in a Form OC filed by this PTE **unless** you have other Oregon source income to report. The Form OC was filed and the tax was already paid by the PTE on your behalf. If you have other Oregon source income, see page 5 of the Form OC instructions. The payment shown on line 21 of this schedule was Oregon tax paid on your behalf by this PTE when they filed for you. You can use this information to claim state taxes paid as an itemized deduction on your federal return and to calculate a credit for taxes paid to another state if your resident state also taxes your income.

If you have questions about the PTEs requirements to file or pay taxes on your behalf and how they affect you, see the Form OC and Form OR-19 instructions.

**Full-year Oregon residents**—You are taxed by Oregon on all of your income from the PTE even if the income is apportioned between Oregon and other states. Report your federal adjusted gross income on line 8 of Form 40 and report Oregon addition and subtraction amounts as shown in column (a) of this schedule. Report the credits on the appropriate line of your Form 40. Use the appropriate code as shown on attached schedules or as listed in our 2014 *Publication 17½*.

For **part-year residents**, Oregon taxes all PTE income received while an Oregon resident. For the portion of the year you are a nonresident, Oregon only taxes income from Oregon sources. Therefore, a part-year resident may need to modify the amounts reported in column (b) before entering on Oregon Form 40P.

If your residency status changes, be sure to notify the PTE.