

CITY OF BENTON HARBOR
PARTNERSHIP INCOME TAX RETURN

For fiscal year or other taxable period beginning / / 2020 and ending / /

IDENTIFICATION AND INFORMATION

Form section containing fields A1 through A10 and B1 through B6, including information about partnership name, address, and entity type.

Enter below the general partner or member manager designated as the tax matters partner (TMP) on the federal partnership return for the tax year of this return:

Form section containing fields E1 through E5 for designated TMP information, including name, identifying number, and address.

F. Mark (X) box if partnership elects to pay tax on behalf of partners, complete the remaining sections of the return that apply and the remainder of this page. The partnership may elect to pay tax for partners only if it pays the tax for ALL partners subject to the tax.

TAX and PAYMENTS & CREDITS section containing lines 1 through 8, including tax calculations, payments, and refund information.

DISCLOSURE OF RETURN INFORMATION

Form section containing fields 9 through 10b regarding disclosure of return information and designee details.

SIGNATURE

Under the penalty of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete.

Form section containing signature fields 11a through 12f for partner and preparer.

**SCHEDULE 1 - PARTNER INFORMATION SCHEDULE**

**Attachment 1**

<b>P A R T N E R  N U M B E R</b>	<b>COLUMN 1</b> NAME AND ADDRESS OF ALL PARTNERS  (Complete column 1, column 2 and, if necessary, columns 3 and 4; if column 4 for partner equals part-year (PR or PN), report the resident and nonresident portions on separate partner lines)  Enter partner's name and address as per example below	<b>COLUMN 2</b> PARTNER'S SOCIAL SECURITY OR EMPLOYER IDENTIFICATION NUMBER	<b>COLUMN 3</b> TYPE OF ENTITY OF PARTNER (Follow Federal Form 1065 instructions for Schedule K-1, Item I; see Partner Entity Classification Chart)	<b>COLUMN 4</b> IF PARTNER IS AN INDIVIDUAL OR NOMINEE REPRESENTING AN INDIVIDUAL, ENTER RESIDENCE STATUS OF PARTNER (R = Resident, N = Nonresident, PR = Part-year resident portion, PN = Part-year nonresident portion)	<b>COLUMN 5</b> IF COLUMN 4 EQUALS PART- YEAR RESIDENT ENTER RESIDENCY START DATE ON RESIDENT (PR) LINE AND END DATE ON NONRESIDENT (PN) LINE
<b>EX</b>	Partner's Name Street number, street name and suite number City, state, zip code				
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					



Name of partnership	Partnership's FEIN	2020 Form CF-1065, Schedules A & B
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<b>SCHEDULE A – ALLOCABLE PARTNERSHIP ORDINARY BUSINESS INCOME</b>	Revised 08/17/2020 <b>Attachment 3</b>
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1. Ordinary business income (loss) (Form 1065, pg. 1, line 22) (Attach copy of federal Form 1065, Sch K (1065), ancillary schedules and statements)	
2. Add City of Benton Harbor income tax, if deducted in determining income on federal Form 1065	
3. Add interest and other costs incurred in connection with the production of income exempt from City of Benton Harbor income tax (Attach schedule)	
4. Deduct Sec. 179 depreciation (Federal Schedule K, line 12)	
5. Other partnership deductions allowed under Michigan Uniform City Income Tax Ordinance (Attach explanation)	
6. Deduct ordinary income (loss) from other partnerships, estates & trusts (Federal Form 1065, page 1, line 4; attach explanation)	
7. Total adjusted ordinary business income (Add lines 1, 2, 3 and subtract lines 4, 5 and 6)	

<b>SCHEDULE B – PARTNERSHIP INCOME NOT INCLUDED IN SCHEDULE A</b>	Revised 12/19/2017 <b>Attachment 4</b>
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ATTACH COPY OF FEDERAL SCHEDULE K (1065)  ATTACH SCHEDULES TO EXPLAIN ALL EXCLUSIONS	FEDERAL FORM 1065 REFERENCE	COLUMN 1 APPORTIONED INCOME	COLUMN 2 TOTAL EXCLUDIBLE RESIDENT PARTNERS' PORTION OF COLUMN 1	COLUMN 3 TOTAL EXCLUDIBLE NONRESIDENT, ESTATE AND TRUST PARTNERS' PORTION OF COLUMN 1	COLUMN 4 TOTAL EXCLUDIBLE CORPORATION PARTNERS' PORTION OF COLUMN 1	COLUMN 5 TOTAL EXCLUDIBLE OTHER PARTNERS' PORTION OF COLUMN 1 (Partners not in columns 2, 3 or 4)	COLUMN 6 TOTAL TAXABLE AT RESIDENT OR CORPORATE TAX RATE (Column 1 less column 2, 4 or 5)	COLUMN 7 TOTAL TAXABLE AT NONRESIDENT TAX RATE (Column 1 less column 3)
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**NONBUSINESS INTEREST AND DIVIDENDS (SEE INSTRUCTIONS)**

1. Nonbusiness interest income	Sch. K, line 5							
2. Nonbusiness dividend income	Sch. K, lines 6a							

**SALE OR EXCHANGE OF PROPERTY (SEE INSTRUCTIONS)**

3. Net short-term capital gain (loss)	Sch. K, line 8							
4. Net long-term capital gain (loss)	Sch. K, L. 9a - c							
5. Net Section 1231 gain (loss)	Sch. K, line 10							

**RENTS AND ROYALTIES (IF INCOME INCLUDES RENTAL REAL ESTATE, ATTACH COPY OF FEDERAL FORM 8825)**

6. Net income (loss) from rental real estate activities	Sch. K, line 2							
7. Net income (loss) from other rental activities	Sch. K, line 3c							
8. Royalty income	Sch. K, line 7							

**OTHER INCOME**

9. Other income	Sch. K, line 11							
10. Ordinary income from other partnerships (See ** below)	Form 1065, line 4							
11. Total apportioned income (Add lines 1 through 10 of each column)								

Amounts reported in column 1 are from federal Form 1065 or Schedule K (1065).

\*\* Attach schedule showing name, address and FEIN of each partnership.

Name of partnership	Partnership's FEIN	2020 Form CF-1065, Schedules C & D
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<b>SCHEDULE C – INCOME DISTRIBUTION TO PARTNERS</b>								Revised 08/17/2020
								<b>Attachment 5</b>
PARTNER NUMBER	COLUMN 1 ADJUSTED ORDINARY BUSINESS INCOME (Total equals Schedule A, line 7)	COLUMN 2 GUARANTEED PAYMENTS TO PARTNERS (Fed. 1065, line 10)	COLUMN 3 INCOME SUBJECT TO ALLOCATION (Add Column 1 and Column 2)	COLUMN 4 ALLOCATION PERCENTAGE (Resident partners enter 100%; partnership partners see instructions; other partners enter percentage from Sch. D, line 5)	COLUMN 5 ALLOCATED ORDINARY BUSINESS INCOME (Column 3 multiplied by percentage in Column 4)	COLUMN 6 RESIDENT, CORPORATION AND PARTNERSHIP PARTNER'S PORTION OF SCHEDULE B INCOME (From Schedule B, line 11, column 6)	COLUMN 7 NONRESIDENT, ESTATE AND TRUST PARTNER'S PORTION OF SCHEDULE B INCOME (From Schedule B, line 11, column 7)	COLUMN 8 TOTAL INCOME (Add columns 5, 6 and 7; If partnership elects to pay tax, enter on Schedule 2, column 1 )
1				%				
2				%				
3				%				
4				%				
5				%				
6				%				
7				%				
8				%				
9				%				
10				%				
Totals				%				

<b>SCHEDULE D – BUSINESS ALLOCATION PERCENTAGE</b>				Revised 06/18/2014
				<b>Attachment 6</b>
		COLUMN 1 LOCATED EVERYWHERE	COLUMN 2 LOCATED IN CITY	COLUMN 3 PERCENTAGE
1.	a. Average net book value of real and tangible personal property			(Column 2 divided by column 1)
	b. Gross annual rent paid for real property only, multiplied by 8			
	c. Totals (Add lines 1a and 1b)			
2.	Total wages, salaries, commissions and other compensation of all employees			%
3.	Gross receipts from sales made or services rendered			%
4.	Total percentages (Add the percentages computed in column 3, lines 1c, 2 and 3)			%
5.	Business allocation percentage (Divide line 4 by the number of factors) Enter here and on Schedule C, column 2 (See note below)			%
Note 3.	In determining the business allocation percentage (Line 5), a factor shall be excluded from the computation only when such factor does not exist anywhere insofar as the taxpayer's business operation is concerned. In such cases, the sum of the remaining percentages shall be divided by the number of factors actually used.			
	In the case of a taxpayer authorized by the Income Tax Administrator to use one of the special formulas, attach an explanation and use the lines provided below:			
	a. Numerator		c. Percentage (a divided by b) (Enter here and on Schedule C, Col. 2)	%
	b. Denominator		d. Date of Administrator's approval letter (mm/dd/yyyy)	

Name of partnership	Partnership's FEIN	2020 Form CF-1065, Schedule E
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<b>SCHEDULE E – RENTAL REAL ESTATE</b>	Revised 08/17/2020 <b>Attachment 7</b>
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If the business activity of the partnership includes rental of real estate, indicate below the complete address and the gain or loss of each property.

PROPERTY #	PROPERTY ADDRESS (Street number, street name, city, state and zip code)	GAIN OR LOSS
1.		
2.		
3.		
4.		
5.		
<b>TOTALS</b>	<b>(ATTACH COPY OF FEDERAL FORM 8825)</b>	

Name of partnership

Partnership's FEIN

2020 Form CF-1065, Schedule G

Revised 08/17/2020

**SCHEDULE G – CREDIT FOR TAX PAID TO ANOTHER CITY ON BEHALF OF RESIDENT PARTNERS Attachment 8**

If tax is paid to more than one other city on behalf of a resident partner, use a separate line for each city. Total the amounts in column 6 for the partner and enter the total credit for the partner on the last line for the partner in column 7.

<b>P A R T N E R N U M B E R</b>	<b>COLUMN 1</b> NAME OF OTHER CITY	<b>COLUMN 2</b> INCOME TAXABLE BY OTHER CITY AND ALSO TAXABLE BY City of BENTON HARBOR	<b>COLUMN 3</b> NUMBER OF EXEMPTIONS CLAIMED BY PARTNER (Tax Due Schedule, column 6)	<b>COLUMN 4</b> TAX AT CITY'S NONRESIDENT TAX RATE  (Subtract the result of column 3 multiplied by city's exemption value from column 2 and multiply the difference by the partner's resident city's nonresident tax rate)	<b>COLUMN 5</b> TAX PAID TO OTHER CITY (Subtract the result of column 3 multiplied by other city's exemption value from column 2 and multiply the difference by other city's nonresident tax rate)	<b>COLUMN 6</b> CREDIT FOR TAX PAID TO OTHER CITY (Smaller of column 4 or column 5)	<b>COLUMN 7</b> TOTAL CREDIT FOR TAX PAID TO OTHER CITY ON BEHALF OR PARTNER (Column 6 total for partner; place on last line for partner)
999	Example Lansing	10,000	3	62	41	41	
999	Example Detroit	5,000	3	24	39	24	
999	Example Saginaw	12,000	3	77	77	77	142

Total credit for tax paid to another city (Add amounts in column 7; enter here and on page 1, line 2e)

Partnership's name

Partnership's FEIN

2020 CITY OF BENTON HARBOR

**SCHEDULE N – SUPPORTING NOTES AND STATEMENTS**

**Attachment 10**

Revised 08/17/2020

Blank area for supporting notes and statements.



**Schedule K-1 (Form CF-1065)**

2020

City of Benton Harbor  
Income Tax Department

Final K-1  
Amended K-1

For calendar year 2020 or tax year beginning \_\_\_\_\_, 2020  
ending \_\_\_\_\_, 20\_\_\_\_\_

**Partner's Share of Income, Exclusions, Deductions, Credits and Tax Paid**

**Part I Information about the Partnership**

**A** Partnership's employer identification number \_\_\_\_\_

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

**C** Partnership's Business Allocation Percentage (enter percentage from Form CF-1065, Schedule D, line 5) \_\_\_\_\_ %

**Part II Information about the Partner**

**D**  Mark box if this is a partnership partner and enter partnership identifying number \_\_\_\_\_

**E** Partner's identifying number \_\_\_\_\_

**F** Partner's name, address, city, state and ZIP code \_\_\_\_\_

**G**  General partner or LLC member manager  Limited partner or other LLC member

**H**  Domestic partner  Foreign partner

**I1** What type of entity is this partner? (see instructions) \_\_\_\_\_

**I2** Is the partner an individual resident, nonresident or part-year resident of City of Benton Harbor? (see instructions) \_\_\_\_\_

**I3** If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here

**J** Partner's share of profit, loss, and capital (see instructions):

Beginning		Ending	
Profit	%		%
Loss	%		%
Capital	%		%

**K** Partner's share of liabilities at year end

Nonrecourse	\$
Qualified nonrecourse financing	\$
Recourse	\$

**L** Partner's capital account analysis:

Beginning capital account	\$
Capital contributed during year	\$
Current year increase(decrease)	\$
Withdrawals and distributions	\$( _____ )
Ending capital account	\$

Tax basis  GAAP  Section 704(b) book

Other basis (explain) \_\_\_\_\_

**M** Did the partner contribute any property with a built-in gain or loss?  
 Yes  No  
If "Yes," attach statement (see instructions)

**N** Partner number (as reported on Form CF-1065, Schedule 1, Partner Information Schedule) \_\_\_\_\_

<b>Part III Partner's Share of Current Year Income Exclusions/Adjustments and City Income</b>			
Line	Column A Federal Partnership Return Data	Column B Exclusions and Adjustments	Column C Taxable Income
1	Ordinary business income (loss)		
1a	Ordinary inc. from other partnerships (Included col A, ln 1, not in col C, ln 1)		
2	Net rental real estate income (loss)		
3	Other rental income (loss)		
4	Guaranteed payments		
5	Interest income		
6	Dividend income		
7	Royalties		
8	Net short-term capital gain (loss)		
9	Net long-term capital gain (loss)		
10	Net 1231 gain (loss)		
11	Other income		
12	Section 179 deduction (Included in column C, line 1, not in column A, ln 1)		
13	Other Deductions		
20	Other information		

**Part IV Partner's Share of Current Year City Deductions, Credits and Tax Paid**

<b>D</b>	Partner's deductions for items paid by the partnership	
<b>C</b>	Credit for tax paid by partnership to another city (Report only the tax paid on behalf of a resident partner)	
<b>T</b>	City income tax paid by the partnership (If partnership elects to pay tax for partners)	

## Partnership Instructions for Schedule K-1 (Form CF-1065)

### General Information

Generally, a partnership is required to prepare and give Schedule K-1 (Form CF-1065) to each person who was a partner in the partnership at any time during the year. Schedule K-1 (Form CF-1065) must be provided to each partner on or before the day on which the partnership return is required to be filed.

Partnerships electing to pay tax that have a partnership partner (downstream partnership) are required to provide Schedule K-1 (Form CF-1065) to each partner of the downstream partnership (or chain of such partnerships) if the tax for the downstream partnership is calculated based on the downstream partnership's partner's classification.

### How to Complete Schedule K-1 (Form CF-1065)

If the return is for a fiscal year or a short tax year fill in the fiscal tax year spaces at the top of each Schedule K-1. If this is a final or an amended K-1, mark (X) the appropriate box at the top of each Schedule K-1.

On each Schedule K-1, enter the information about the partnership and the partner in Parts I and II (items A through M). In Part III, enter: in column A the amounts from the partner's federal Schedule K-1 (Form 1065); in column B the amounts of exclusions or adjustments to the amounts in column A; and in Column C the partner's city taxable share of each item of income, deduction or information.

### Part I. Information About the Partnership

On each Schedule K-1, enter (A) the identifying number of the partnership, and its (B) name and address. Also enter the (C) partnership's business allocation percentage (Form CF-1065, Schedule D, line 5 or special formula line d).

### Part II. Information About the Partner

On each Schedule K-1 complete the information for the partner for items E through I and J through M as it was completed on the partner's federal Schedule K-1 (Form 1065). For item I2, if the partner code for item I1 is a code that represents an individual, estate or trust, enter in item I2 the following code for the partner: R for resident partner, N for a nonresident partner, PR for the resident portion and PN for the nonresident portion of the year for a part-year resident partner. See Appendix J, Partner Classification Table, for additional information. For item I3, mark (X) the box if the partner is a retirement plan. For item N enter the partner's partner number as reported on Form CF-1065, Schedule 1. When a partner is a part-year resident, two Schedule K-1's (Form CF-1065) are to be issued, one for the resident portion of the year and one for the nonresident portion of the year as two lines are required for reporting the partner's income.

If the partnership elects to pay tax and the partner is a partnership, mark (X) the item D box and enter the partnership partner's identification number. Complete the other items for this partnership partner. Parts III and Part IV for this downstream partnership is a compilation of their partner's Schedules K-1. Also, complete a Schedule K-1 (Form CF-1065) for each partner of the downstream partnership completing item D for the downstream partnership and completing Part II, Part III and Part IV for each downstream partnership partner.

### Part III. Partner's share of Current Year income, Exclusions/Adjustments and City Income.

This part of the Schedule K-1 (Form CF-1065) is divided into three columns: Column A, Federal Partnership Return Data; column B, Exclusions and Adjustments; and column C, City Taxable Income.

#### Column A, Federal Partnership Return Data.

Column A, line 1, lines 2 through 13 and line 20 are used for reporting income, deductions and other information as reported on the federal Schedule K-1 (Form 1065) for the partner. In each line of column A enter the data as reported in the federal Schedule K-1 except for lines 1a, 11, 13 and 20 follow the instructions below.

**Line 1a. Ordinary income from other partnerships.** This line on the city Schedule K-1 (CF-1065) is used to properly report ordinary business income from other partnerships, estates and trusts. Column A of this line is blank or zero (0) as this line is not on the federal Schedule K-1.

**Codes for lines 11, 13 and 20.** In boxes 11, 13 and 20, identify each item by entering the federal code in the column to the left of Column A.

**Line 13. Other deductions.** In box 13 report only the federal coded items that affect city income of the partner. There are only a few (line 13) other deductions that affect a partner's city income. Deductions that are claimed on the partner's federal return Form 1040 as adjustments to income or itemized deductions are not reported on line 13. If you have a question about reporting a line 13 item, please contact the city for an answer. An example of a line 13 item is item I, deductions – royalty income.

**Line 20. Other information.** In box 20 report only the federal coded items that affect city income. There are few items of (line 20) other information that affect the partner's city income. If you have a question about reporting a line 20 item, please contact the city for an answer. An example of a line 20 item is M, recapture of section 179 deduction.

### Column B, Exclusions and Adjustments

Complete column C, City Taxable Income, lines 1 through 13, before completing column B. Once the column C amount for a line is determined and entered, the column B amount for the line is calculated by subtracting the amount in column C from the amount in column A. Enter in the calculated amount in Column B for the line. If a line in any column is blank, it is to be read as a zero (0).

### Column C, City Taxable Income

The amount of city taxable income for each line for each partner is calculated in schedules attached to the partnership return. Enter the data for each line of Column C as determined in the schedule noted for the line.

**Line 1. Ordinary business income.** Enter the amount of the partner's ordinary business income as reported on Form CF-1065, Sch. C, column 5.

**Line 1a. Ordinary income from other partnerships.** Enter the amount of the partner's taxable share of ordinary income from other partnerships as reported on Form CF-1065.

**Line 2. Net rental real estate income (loss).** Enter the amount of the partner's share of net rental real estate income (loss) as reported on Form CF-1065.

**Line 3. Other rental income (loss).** Enter the amount of the partner's taxable share of other rental income (loss) as reported on Form CF-1065.

**Line 4. Guaranteed payments to partners.** Enter the amount of the partner's taxable guaranteed payments as reported on Form CF-1065, Schedule C, column 2.

**Line 5. Interest income.** Enter the amount of the partner's taxable share of interest income as reported on Form CF-1065.

**Line 6. Dividend income.** Enter the amount of the partner's taxable share of dividend income as reported on Form CF-1065.

**Line 7. Royalties.** Enter the amount of the partner's taxable share of royalties as reported on Form CF-1065.

**Line 8. Net short term capital gain (loss).** Enter the amount of the partner's taxable share of net short term capital gain (loss) as reported on Form CF-1065.

**Line 9. Net long term capital gain (loss).** Enter the amount of the partner's taxable share of net long term capital gain (loss) as reported on Form CF-1065.

**Line 10. Net section 1231 gain (loss).** Enter the amount of the partner's taxable share of net section 1231 gain (loss) as reported on Form CF-1065.

**Line 11. Other income.** Enter the amount of the partner's taxable share of other income as reported on Form CF-1065.

**Line 12. Section 179 deduction.** Enter a zero (0) or leave blank as this deduction is already included in the amount reported in column C, line 1.

**Line 13. Other deductions.** The amount to enter on this line must be calculated based upon the type of other deduction and the taxability of the city income related to the deduction. Example: Item I, deductions – royalty income, would be deductible at the same percentage the related royalty income is taxable by the city. There are very few other deduction items that relate to city income

**Line 20. Other Information.** The amount to enter on this line must be calculated based upon whether the other information is city income or a deduction allowed to determine city income. Example: Item M, recapture of section 179 deduction, would be taxable at the same percentage the related property was taxable by the city. There are very few other information items that relate to city income.

### Part IV. Partner's City Deductions, Credits and Tax Paid

Part IV is divided into three sections. Refer to the following instructions to complete this section.

**D – Partner's deductions for items paid by the partnership.** Report the partner's share of deductions allowed under the city's income tax ordinance that were paid by the partnership. These deductions are the partner's: IRA deduction; Self-employed, SEP, SIMPLE and qualified plans deduction; Renaissance Zone deduction; etc.

**C – Credit for tax paid by partnership to another city.** Report the tax paid to other cities by partnership on behalf of partner who is a resident of the city named at the top of the Schedule K-1.

**T – Income tax paid by the partnership.** Report the actual tax paid by partnership on behalf of partner to the city named at the top of the Schedule K-1. This is the amount reported on Form CF-1065, Schedule 2, column 10, for the partner.

## Partner Instructions for Schedule K-1 (Form CF-1065)

### GENERAL INFORMATION

A partner with income from a partnership is required to file a city income tax return unless: (1) the partnership elects to pay the city income tax on behalf of all partners; and (2) the partner has no other income taxable under the city's income tax ordinance. This applies to all types of partners, individuals, corporations and partnerships.

### TAX PAID BY THE PARTNERSHIP ON BEHALF OF PARTNER

If the partnership elects to pay tax on behalf of its partners, a partner may claim the share of tax paid, Schedule K-1 (Form CF-1065), Part IV, item T, as a tax payment on the partner's city income tax return.

### CORPORATION PARTNERS

A corporation partner may or may not have nontaxable partnership income depending on where the business activity of the partnership takes place and the type of income flowing through from the partnership. A corporation partner should follow the instructions for filing the city's corporation income tax return, reporting and paying the city's income tax on the taxable partnership income.

### PARTNERSHIP PARTNERS

A partnership partner may or may not have nontaxable partnership income depending on where the business activity of the partnership takes place and the type of income flowing through from the partnership. A partnership partner should follow the instructions for filing the city's partnership income tax return.

### INDIVIDUAL PARTNERS (RESIDENTS AND NONRESIDENTS)

A resident, nonresident or part-year resident partner filing form CF-1040 should follow the following instructions when preparing their city return. Form CF-1040, lines 1 through 16. The form uses a three column format for reporting income: column A is used to report federal income; column B is used to report exclusions and adjustments to income; and column C is used to report the city's taxable income.

A partner should first complete his/her federal return. After completing the federal return the partner should: first enter the income reported on Form 1040, lines 1 through 22, on Form CF-1040 in column A; the partner should then compute the exclusions and adjustments allowed for each income line of the city's return; then the partner should calculate the city's taxable income (column C) for each income line by subtracting the exclusions and adjustments (column B) amount from the federal income (column A); and last the partner should prepare the remainder of the return.

Generally, a resident partner will have no exclusions and adjustments to partnership income.

A nonresident partner may or may not have exclusions and adjustments depending on where the business activity of the partnership takes place and the type of income flowing through from the partnership.

A partner who is a part-year resident must follow the resident reporting instructions for the portion of the partnership income earned while a resident, and follow the nonresident instructions for the portion of the partnership income earned while a nonresident. A separate Schedule K-1 (Form CF-1065) should have been received from the partnership for income in each residence status.

### Computing Exclusions and Adjustments

Exclusions and adjustments to an individual partner's income are to be computed and reported separately for each income line of the return form. For example, the ordinary income exclusions and adjustments reported to the partner on Schedule K-1 (Form CF-1065), line 1, column B, are included in the exclusions and adjustments reported on the partner's Form CF-1040, line 11, column B.

Exclusions and adjustments to partnership income reported on Schedule K-1 (Form CF-1065), column B, are reported on the exclusion and adjustment schedules for each type of income for Form CF-1040, column B, lines 2, 3, 7, 8 and 11 as follows:

Schedule K-1 (Form CF-1065)	Exclusion and Adjustment Schedule	Form CF-1040
Line 5, column B	Excludible Interest Income	Line 2, col. B
Line 6, column B	Excludible Dividend Income	Line 3, col. B
Line 8, column B	Exclusions and Adjustments to Capital Gain or (Loss)	Line 7, col. B
Line 9, column B	Exclusions and Adjustments to Capital Gain or (Loss)	Line 7, col. B
Line 10, column B	Exclusions and Adjustments to Other Gains or (Losses)	Line 8, col. B
Line 1, column B	Exclusions and Adjustments to Income from Rental Real, Royalties, Partnerships, S Corporations, Trusts, Etc.	Line 11, col. B
Line 1a, column B		Line 11, col. B
Line 2, column B		Line 11, col. B
Line 3, column B		Line 11, col. B
Line 4, column B		Line 11, col. B
Line 7, column B		Line 11, col. B
Line 11, column B		Line 11, col. B
Line 12, column B		Line 11, col. B
Line 13, column B		Line 11, col. B
Line 20, column B		Line 11, col. B

After completing the exclusions and adjustments schedules the partner reports the exclusions and adjustments on Form CF-1040, column B, on the line for the type of income excluded or adjusted.

### Differences in Reporting Between Federal Schedule K-1 (Form 1065) and city Schedule K-1 (Form CF-1065)

There are differences in reporting certain partnership income items between federal Schedule K-1 (1065) and the city Schedule K-1 (CF-1065). Explanations for these items follow.

**Line 1.** Ordinary business income (loss) from other partnerships, estates and trusts included in the partner's Schedule K-1 (1065), line 1, is not included in partner's city Schedule K-1 (CF-1065), line 1. Line 1a was added to the city Schedule K-1 (CF-1065) to properly report this income. The adjustment amount to report in column B is taxable income reported in column C multiplied by a negative one (-1). The reason is that the other partnership's business allocation percentage is used to allocate this income for nonresident and corporation partners.

**Line 12.** Section 179 expenses reported on the partner's Schedule K-1 (1065), line 12, are included in amount reported on Schedule K-1 (CF-1040), line 1. Therefore an adjustment must be made to remove reporting of Section 179 expenses on Schedule K-1 (1065), line 12.

**Line 13.** Other deductions reported on Schedule K-1 (CF-1065), line 13, column A, are deductions used to determine income included on an income line of the partner's Form 1040 (lines 7 to 21). An example is deductions from royal income, line 13, code I.

**Line 20.** Other information reported on Schedule K-1 (CF-1065), column A, line 20, is information used by the partner to determine income included on an income line of the partner's Form 1040 (lines 7 to 21). An example of is recapture of a section 179 deduction.

### Deductions Allowed

Deductions allowed on the city return of a partner are reported by the partnership on Schedule K-1 (Form CF-1065), Part IV. These deductions may be claimed on the partner's city return, Form CF-1040, Page 2, Deductions Schedule, lines 1 through 6.

### Credit for Tax Paid by Partnership to another City

If the partnership elects to pay tax on behalf of its partners to another city, an individual resident partner may claim a tax credit for tax paid to the other city. The partner's share of the amount of tax paid to the other city is reported on Schedule K-1 (Form CF-1065), Part IV, item T.

## SCHEDULE RZ (FORM CF-1065) PARTNERSHIP RENAISSANCE ZONE DEDUCTION

FOR COMPUTATION OF THE RENAISSANCE ZONE DEDUCTION

COLUMN 1 Address of each location in a City of a Renaissance Zone (Use top line for street number, street name, suite number and use bottom line for city, state and zip code)	COLUMN 2 Renaissance Zone Number	COLUMN 3 Dates during year qualified to claim RZ deduction	
1a. _____	1b. _____	1c. Starting date	/ /
		1c. Ending date	/ /
1b. _____	2b. _____	2c. Starting date	/ /
		2c. Ending date	/ /

<b>DISQUALIFICATION SECTION</b>			
<b>A PARTNERSHIP IS NOT QUALIFIED TO CLAIM THE RENAISSANCE ZONE DEDUCTION IF ANY OF THE FOLLOWING TAXES ARE DELINQUENT:</b>			
Michigan City Income Tax	Personal Property Tax	Commercial Facilities Tax (CFT)	City (Detroit) Utilities Users Tax
Michigan Income Tax	Michigan Business Tax (or SBT)	Enterprise Zone Tax	Technology Park Development Tax
General Property Tax	Industrial Facilities Tax (IFT)	Neighborhood Enterprise Zone Tax	Commercial Forest Tax

<b>PARTNERSHIP LOCATED AND DOING BUSINESS IN A RENAISSANCE ZONE</b>			
TO CLAIM A RENAISSANCE ZONE DEDUCTION A PARTNERSHIP MUST HAVE REAL AND/OR PERSONAL PROPERTY LOCATED IN A RENAISSANCE ZONE AND BE CONDUCTING BUSINESS ACTIVITY IN THE ZONE			
RENAISSANCE ZONE ALLOCATION PERCENTAGE	COLUMN 1 LOCATED IN CITY	COLUMN 2 LOCATED IN RENAISSANCE ZONE	COLUMN 3 PERCENTAGE
3. Average net book value of real and tangible personal property (If qualified for less than a full tax year, use monthly average)	3		(Column 2 divided by column 1)
4. Gross rents paid on real property multiplied by 8	4		
5. Total property (Add lines 3 and 4 of columns 1 and 2)	5		%
6. Total wages, salaries and other compensation	6		%
7. Total percentages (Add column 3 lines 5 and 6)		7	%
8. Renaissance Zone deduction percentage (Line 7 divided by 2)		8	%

<b>LINE 9 - RENAISSANCE ZONE DEDUCTION FOR ORDINARY BUSINESS INCOME PRIOR TO PHASE OUT</b>					
P A R T N E R	COLUMN 1 ALLOCATED BUSINESS INCOME FROM CF-1065, SCHEDULE C COLUMN 3	COLUMN 2 NET OPERATING LOSS DEDUCTION CLAIMED ON PARTNER'S CITY INCOME TAX RETURN, CF-1040	COLUMN 3 RETIREMENT PLAN DEDUCTION CLAIMED ON PARTNER'S CITY INCOME TAX RETURN, CF-1040	COLUMN 4 BASIS FOR COMPUTING RENAISSANCE ZONE DEDUCTION FOR BUSINESS INCOME (Column 1 less columns 2 and 3)	COLUMN 5 RENAISSANCE ZONE DEDUCTION FOR BUSINESS INCOME PRIOR TO PHASE OUT (Column 4 times line 8)
Line 9 totals					



# INSTRUCTIONS FOR SCHEDULE RZ (CF-1065) PARTNERSHIP RENAISSANCE ZONE DEDUCTION

Revised 12/04/2014

## GENERAL INFORMATION

Renaissance Zone designation grants tax relief to qualified partnerships located and conducting business activity within a Renaissance Zone. In conjunction with the designation of these zones, the Michigan Uniform City Income Tax Ordinance was amended effective January 1, 1997, to include a Renaissance Zone deduction.

## WHO MAY CLAIM A RENAISSANCE ZONE DEDUCTION

A partnership that is located and conducting business activity in a Renaissance Zone is qualified to claim the Renaissance Zone deduction. If the partnership elects to pay the tax for the partners the deduction is claimed on the partnership return. Otherwise, the deduction is passed through to the partners. Partners claim the deduction by filing Schedule RZ of CF-1040 with their individual returns.

## HOW TO CLAIM A RENAISSANCE ZONE DEDUCTION

To claim or pass through the city's Renaissance Zone deduction, a partnership must file Schedule RZ (Form CF-1065) with their partnership income tax return.

## PHASE OUT OF RENAISSANCE ZONE DEDUCTION

Prior to the phase out period, 100% of the income qualified as Renaissance Zone income is deductible. Over the last three years of designation, the deduction is phased out in 25% increments. In the second to the last year of designation the deduction allowed is 75% of the Renaissance Zone income. In the year prior to the last year of designation the deduction allowed is 50% of the Renaissance Zone income. In the last year of designation the deduction allowed is 25% of the Renaissance Zone income. No deduction is allowed after the expiration of the Renaissance Zone designation.

## RENAISSANCE ZONE DEDUCTION DISQUALIFIERS

A partnership is not eligible to claim a Renaissance Zone deduction if the partnership:

1. Is delinquent in filing or paying any of the following state or local taxes: Michigan single business tax, Michigan income tax, city income tax, Act 198 industrial abatement tax, commercial abatement tax, enterprise zone tax, city utility tax or general property taxes on real or personal property.
2. Owns residential rental property and did not file an affidavit with the city by December 31 of the prior tax year attesting that the property is in substantial compliance with all applicable state and local zoning, building and housing laws or codes.
3. Is located within the city outside of a Renaissance Zone and moves to a location within a Renaissance Zone in the city without approval of the city.
4. Relocates more than 25 full-time equivalent jobs from one or more non-Renaissance Zone local governmental units (city, village or township) and any of the local government units from which a job was relocated adopts a resolution objecting to the relocation within 60 days of being notified of the job relocation by the business.

## QUALIFICATION DATE

**RENAISSANCE ZONES 1 THROUGH 6.** A partnership located a Renaissance Zone becomes a qualified taxpayer on the first day after December 31, 1996, that the partnership is located and conducting business activity in a Renaissance Zone. The qualification continues until the partnership ceases to be located and conducting business activity in the Renaissance Zone or until expiration of the Renaissance Zone designation.

## DEDUCTIBLE INCOME

A partnership may deduct that portion of its net income from business activity within a Renaissance Zone not phased out. Business activity consists of two components: 1) adjusted ordinary business income; and 2) income not included in adjusted ordinary business income (apportioned income). Business income from activity conducted within a Renaissance Zone is determined via a two-factor Renaissance Zone allocation formula. Income not included in adjusted ordinary business income (apportioned income) is apportioned based upon situs of the income, the type of partner and/or domicile of the individual resident or nonresident partner.

Income used to calculate any other deduction allowed by the income tax ordinance and income derived from illegal activity shall not be used to calculate this deduction.

## LINE BY LINE INSTRUCTIONS

Fill out form CF-1065 through Schedule E, before doing Schedule RZ.

Line 1. Enter the street address of each location in a Renaissance Zone.

Line 2. Enter the beginning date and ending date the partnership was qualified to claim the Renaissance Zone Deduction for the tax year.

## RENAISSANCE ZONE ALLOCATION PERCENTAGE - BUSINESS INCOME

The Renaissance Zone allocation percentage is used by partnerships located and doing business in a Renaissance Zone and also outside the Renaissance Zone.

Line 3. In column 1, enter the average net book value of all real and tangible personal property owned and located in the city in column 2, enter the average net book value of the real and tangible personal property owned and located in a Renaissance Zone in the city. The average net book value of real and tangible personal property may be determined by adding the net book value at the beginning of the year to the net book value at the end of the year and dividing the sum by two. If the business was located in the Renaissance Zone for less than a year, a monthly average basis is to be used.

Line 4. Enter in column 1 the gross annual rent multiplied by 8 for all rented real property located in the city. In column 2, show the gross annual rent multiplied by 8 for rented real property located in a Renaissance Zone in the city.

Line 5. In column 3, enter the total of columns 2 and 3, line 5.

Line 6. Enter in column 1 compensation paid to employees for work or services performed within the city. In column 2, enter compensation paid to employees for work or services performed within a Renaissance Zone in the city. In column 3, enter the percentage, column 2 divided by column 1.

Line 7. Enter the total of the amount from column 3, lines 5c and 6.

Line 8. Enter the result of line 7 divided by 2.

## RENAISSANCE ZONE DEDUCTION FOR ORDINARY BUSINESS INCOME PRIOR TO PHASE OUT

Line 9. Partner Number Enter the partner number for each partner.

Column 1. Enter the allocated ordinary business income from the partnership return, Form CF-1065, Schedule C, column 3, for each partner.

Column 2. Enter the net operating loss deduction from the partnership claimed on each partner's individual city's income tax return.

Column 3. Enter the retirement plan deduction claimed on each partner's individual city's income tax return that was based upon income from the partnership.

Column 4. Enter the basis for computing the Renaissance Zone deduction for business income, column 1 less columns 2 and 3.

Column 5. Enter the Renaissance Zone deduction for business income before phase out, column 4 multiplied by line 8 for each partner.

Total each column of line 9.

## RENAISSANCE ZONE DEDUCTION FOR PARTNERSHIP INCOME NOT INCLUDED IN LINE 9 AND GUARANTEED PAYMENTS PRIOR TO PHASE OUT

Line 10. Partner Number Enter the partner number for each partner.

Column 1. For each partner who was a qualified resident domiciled in a Renaissance Zone during the tax year, enter the

## INSTRUCTIONS FOR SCHEDULE RZ (CF-1065) PARTNERSHIP RENAISSANCE ZONE DEDUCTION

beginning and ending dates of qualification. For other partners leave this column blank.

Column 2. For each partner who was a resident domiciled in a Renaissance Zone, enter the partner's taxable share of the interest and dividend income included in the amount reported on Form CF-1065, Schedule B, column 3, lines 1 and 2. For each partner who is another partnership or a corporation enter the partner's share of the interest and dividend income included in the amount reported on Form CF-1065, Schedule B, column 3, lines 1 and 2. For individual nonresident partners enter zero.

Column 3. For each partner who was a resident domiciled in a Renaissance Zone, enter the partner's share of income from the sale and exchange of property included in the amount reported on Form CF-1065, Schedule B, column 3, lines 3, 4 and 5. For all other partners enter their share of income from the sale and exchange of property located in a Renaissance Zone included in the amount reported on Form CF-1065, Schedule B, columns 3 or column 5, lines 3, 4 and 5.

Column 4. For each partner who was a resident domiciled in a Renaissance Zone, enter the partner's share of income from rents and royalties included in the amounts reported on Form CF-1065, Schedule B, column 3, lines 6, 7 and 8. For other partners enter partner's share of rent and royalty income from property located in a Renaissance Zone included in the amounts reported on Form CF-1065, Schedule B, column 3 or column 5, lines 6, 7 and 8.

Column 5. For each partner who was a resident domiciled in a Renaissance Zone, enter the partner's share of other income included in the amounts reported on Form CF-1065, column 3, lines 9 and 10. For all other partners enter their share of the other income reported on Form CF-1065, Schedule B, column 3 or column 5, lines 9 and 10.

Column 6. For each partner receiving guaranteed payments, enter the amounts reported on Form CF-1065, Schedule C, column 4.

Column 7. For each partner, add the amounts reported on line 10, columns 2 through 6, and enter the total in column 7.

Total each column of line 10.

### RENAISSANCE ZONE DEDUCTION PHASE OUT PERCENTAGE

The Renaissance Zone designation starts on January 1 of the first year of designation and ends on December 31 of the final year of designation. The deduction is reduced during the last 3 calendar years of a zone's designation. The reduction phase out is: 0% for all but the last three years of a zone's designation; 25% for the tax year that is two years before the final year of designation; 50% for the tax year immediately preceding the final year of designation; and 75% for the final year of designation. For example, properties in Renaissance within Zones 1 through 6, designated beginning January 1, 1997, entered the phase out period in 2009 (unless the specific property was granted an extension).

If the partnership files their city income tax return on a fiscal year basis, the deduction phase out will be made up of two different phase out percentages, one for the number of months of the fiscal year in the year in the first phase out calendar year, and one for the number of months in the fiscal year in the following phase out year. A short tax year may or may not be in two different phase out years.

Line 11. In column 1 enter the number of months in the tax year or short period prior to January 1, 2017. In column 2 enter the number of months in the tax year or short period after December 31, 2016.

Line 12. In column 1 enter the Renaissance Zone deduction phase out percentage for calendar year 2016. In Column 1 enter the Renaissance Zone deduction phase out percentage for calendar year 2016.

Line 13. Calculate and enter the Renaissance Zone phase out percentage for each column by multiplying line 11 by line 12 and dividing the result by the number of months in the tax year or short period (usually 12).

Line 14. Compute and enter the Renaissance Zone phase out percentage by adding the amounts on line 13 of columns 1 and 2.

### RENAISSANCE ZONE DEDUCTION

Line 15.

Partner Number Enter the partner number for each partner.

Partner Number Column. Enter each partner's partner number in the Partner Number column.

Column 1. Add the amounts for each partner and the total as reported on line 9, column 5 and line 10, column 7.

Column 2. Calculate and enter the deduction phase-out for each partner and the total by multiplying the amount reported in column 1 by the percentage on line 14, column 1.

Column 3. Calculate and enter the Renaissance Zone deduction for each partner and the total by subtracting the amount in column 2 from the amount in column 1.

Total each column of line 15. Enter Renaissance Zone deduction for each partner and the total Renaissance Zone deduction form column 3 on Schedule 2, column 5.

### WEBSITE

Income tax forms, instructions and additional information are available on the website of the city. The website address for a city is found in Appendix I.

### NOTICE

These instructions are interpretations of the Michigan Uniform City Income Tax Ordinance. The Ordinance will prevail in any disagreement between the instructions and the Ordinance.

CF-7004

CITY OF BENTON HARBOR
APPLICATION FOR AUTOMATIC EXTENSION OF TIME TO FILE CERTAIN RETURNS

2020 RET EXT
2020 CRP PEX
2020 CRP CEX

This application is for: [ ] Form CF-1041 [ ] Form CF-1065 [ ] Form CF-1120

Name of Taxpayer [ ]

Taxpayer's FEIN: [ ]

File on or Before: 4/30/2021 or the last day of the fourth month after the end of the tax year or short tax year

Payment: \$ [ ]

- Payment Method:
• Make payment by check or money order payable to "City of Benton Harbor." DO NOT SEND CASH.
• Write the taxpayer's FEIN, daytime phone number and "2020 CF-7004" on check or money order.
• To pay by credit card or direct debit, see income tax website, go to the income tax website of the city

Address for Payment: City of Benton Harbor Income Tax Department, P.O. Box 597, Benton Harbor, MI 49023

- Instructions:
• An extension to file does not extend the due date to pay tax. Tax paid late will be assessed late fees.
• Line 1: Enter the total tax liability you expect to report on your 2020 city income tax return.
• Line 2: Enter the total payments that you expect to report on your 2020 city income tax return, not including the extension payment reported on line 3 of this form.
• Filing date: The income tax ordinance limits an extension to SIX months from the original due date.

Related Information: • Federal extension: Filing a federal extension (Form 7004) with the Internal Revenue Service does not grant an extension of time to file a city income tax return.

- Payment:
• An extension is automatically granted upon payment of the balance due (line 3); failure to pay the balance due invalidates the extension request; an extension filed without a payment will not be accepted.
• Interest and penalty will be assessed on taxes paid late even if an extension of time to file is granted.
• Penalty may be waived by the Income Tax Administrator if the tax paid by the original due date is not understated by more than 5% of tax or the taxpayer can show that the failure to pay on time was due to reasonable cause.

Taxpayer Records: Amount Paid: \_\_\_\_\_
Check Number: \_\_\_\_\_
Date Mailed: \_\_\_\_\_

\* Due Date If the due date falls on a Saturday, Sunday or holiday, the due date is the next business day. Revised: 08/17/2020

KEEP TOP PORTION FOR YOUR RECORDS. SEND BOTTOM PORTION WITH YOUR PAYMENT

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CF-7004

CITY OF BENTON HARBOR
APPLICATION FOR AUTOMATIC EXTENSION OF TIME TO FILE CERTAIN RETURNS

2020 RET EXT
2020 CRP PEX
2020 CRP CEX

This application is for: [ ] Form CF-1041 [ ] Form CF-1065 [ ] Form CF-1120

Mail To: City of Benton Harbor Income Tax

Revised: 08/17/2020

Form with fields for NACTP #, EFIN #, Name of taxpayer, Taxpayer's FEIN, Address, Payment voucher 2D barcode, and a table for tax liability estimates.

{SCAN LINE} (see Appendix N, Scan Line Specifications)



CF-7004-EFT

CITY OF BENTON HARBOR
APPLICATION FOR AUTOMATIC EXTENSION OF TIME TO FILE CERTAIN RETURNS

2020 RET EXT
2020 CRP PEX
2020 CRP CEX

This application is for: [ ] Form CF-1041 [ ] Form CF-1065 [ ] Form CF-1120

Name of Taxpayer
Taxpayer's FEIN:

Bank Routing Number:
Bank Account Number:
Type of Bank Account: [ ] Checking [ ] Savings

File on or Before: 4/30/2021 or the last day of the fourth month after the end of the tax year or short tax year

Payment: \$

Payment Method: DO NOT SEND CASH OR ANY OTHER FORM OF PAYMENT WITH PAYMENT VOUCHER BELOW. The payment voucher is authorization for city to directly withdraw your payment from your bank account.

Address for Payment: City of Benton Harbor Income Tax Department, P.O. Box 597, Benton Harbor, MI 49023

- Instructions:
• An extension to file does not extend the due date to pay tax. Tax paid late will be assessed late fees.
• Line 1: Enter the total tax liability you expect to report on your 2020 city income tax return.
• Line 2: Enter the total payments that you expect to report on your 2020 city income tax return, not including the extension payment reported on line 3 of this form.
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• Interest and penalty will be assessed on taxes paid late even if an extension of time to file is granted.
• Penalty may be waived by the Income Tax Administrator if the tax paid by the original due date is not understated by more than 5% of tax or the taxpayer can show that the failure to pay on time was due to reasonable cause.

Taxpayer Records: Amount Paid:
Date Mailed:

\* Due Date If the due date falls on a Saturday, Sunday or holiday, the due date is the next business day. Revised: 08/17/2020
KEEP TOP PORTION FOR YOUR RECORDS. SEND BOTTOM PORTION WITH YOUR PAYMENT

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CF-7004-EFT

CITY OF BENTON HARBOR
APPLICATION FOR AUTOMATIC EXTENSION OF TIME TO FILE CERTAIN RETURNS

2020 RET EXT
2020 CRP PEX
2020 CRP CEX

This application is for: [ ] Form CF-1041 [ ] Form CF-1065 [ ] Form CF-1120

Mail To: City of Benton Harbor Income Tax

Revised: 08/17/2020

Form with fields for NACTP #, EFIN #, Name of taxpayer, Taxpayer's FEIN, Bank routing number, Bank account number, Address, and a table for tax liability estimates.

CF-1065PV

CITY OF BENTON HARBOR
PARTNERSHIP INCOME TAX RETURN PAYMENT VOUCHER

2020 CRP PPV

Name of Partnership: [ ]

Partnership's FEIN: [ ]

Due on or Before: 4/30/2021 or the last day of the fourth month after the end of the tax year or short tax year

Payment: \$ [ ]

Payment Method: Make payment by check or money order payable to "City of Benton Harbor." Write the partnership's FEIN number, daytime phone number, and "2020 CF-1065PV" on your check or money order. DO NOT SEND CASH. To pay by credit card or direct debit, go to the income tax website of the City.

Paying with Return: This payment voucher is used when including payment with your tax return. When paying with your return, place the payment on top of the return in the envelope. Do not attach the check to the return.

Address for Payment: City of Benton Harbor Income Tax Department, P.O. Box 597, Benton Harbor, MI 49023

Taxpayer Records: Amount Paid: [ ]
Check Number: [ ]
Date Mailed: [ ]

\* Due Date If the due date falls on a Saturday, Sunday or holiday, the due date is the next business day.

Revised: 08/17/2020

KEEP TOP PORTION FOR YOUR RECORDS. SEND BOTTOM PORTION WITH YOUR PAYMENT

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CF-1065PV

CITY OF BENTON HARBOR
PARTNERSHIP INCOME TAX RETURN PAYMENT VOUCHER

2020 CRP PPV

Revised: 08/17/2020

Mail To: City of Benton Harbor
P.O. Box 597
Benton Harbor, MI 49023

NACTP # [ ]
EFIN # [ ]

Table with 4 columns: Name of partnership, Partnership's FEIN, Address (Number and street), Suite. no., Payment voucher 2D barcode, City, town or post office, State, Zip code, Amount of tax, interest and penalty you are paying by check or money order, Round to nearest dollar.

{SCAN LINE} (see Appendix N, Scan Line Specifications)

CF-1065PV-EFT

CITY OF BENTON HARBOR
PARTNERSHIP INCOME TAX RETURN PAYMENT VOUCHER

2020 CRP PPV

Name of Partnership: [ ] Bank Routing Number: [ ]

Partnership's FEIN: [ ] Bank Account Number: [ ]

Due on or Before: 04/30/2021 or the last day of the 4th month after the end of the fiscal year. Type of Bank Account: [ ] Checking [ ] Savings

Payment: \$ [ ]

Payment Method: DO NOT SEND CASH OR ANY OTHER FORM OF PAYMENT WITH PAYMENT VOUCHER BELOW. The payment voucher is authorization for city to directly withdrawal your payment from your bank account.

Paying with Return: This payment voucher is not used when including payment with your tax return. When paying with the return, place the payment on top of the return in the envelope. Do not attach the check to the return.

Address for Payment: City of Benton Harbor Income Tax Department, P.O. Box 597, Benton Harbor, MI 49023

Taxpayer Records: Amount Paid: [ ] Check Number: [ ] Date Mailed: [ ]

\* Due Date If the due date falls on a Saturday, Sunday or holiday, the due date is the next business day.

Revised: 09/27/2018

KEEP TOP PORTION FOR YOUR RECORDS. SEND BOTTOM PORTION WITH YOUR PAYMENT

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CF-1065PV-EFT

CITY OF BENTON HARBOR
PARTNERSHIP INCOME TAX RETURN PAYMENT VOUCHER

2020 CRP PPV

Revised: 09/17/20198

Mail To: City of Benton Harbor
P.O. Box 597
Benton Harbor, MI 49023

NACTP # [ ]
EFIN # [ ]

Table with 4 main columns: Name of partnership, Partnership's FEIN, Bank routing number, Type of account. Includes fields for Address, Payment voucher 2D barcode, and Amount of estimated tax.

{SCAN LINE} (see Appendix N, Scan Line Specifications)

Printed 08/30/2016

CF-1065ES

CITY OF BENTON HARBOR
PARTNERSHIP ESTIMATED INCOME TAX PAYMENT VOUCHER
FIRST QUARTER

2021 EST P1Q

Name of Partnership: [ ]

Partnership's FEIN: [ ]

Due on or Before: 4/30/2021 or the last day of the fourth month after the start of the fiscal year or short tax year

Payment: \$ [ ]

- Payment Method:
• Make payment by check or money order payable to "City of Benton Harbor." Write the partnership's FEIN number, daytime phone number, and "2021 CF-1065ES" on your payment.
• DO NOT SEND CASH. To pay by direct debit to your bank account, use form CF-1065ES-EFT. Many cities do not accept direct debit estimated tax payments. See city's website for more information.
• To pay by credit card see income tax website of the city.

Address for Payment: City of Benton Harbor Income Tax Department, P.O. Box 597, Benton Harbor, MI 49023

Taxpayer Records:
Amount Paid: [ ]
Check Number: [ ]
Date Mailed: [ ]

\* Due Date If the due date falls on a Saturday, Sunday or holiday, the due date is the next business day.

Revised: 08/17/2020

KEEP TOP PORTION FOR YOUR RECORDS. SEND BOTTOM PORTION WITH YOUR PAYMENT

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CF-1065ES

CITY OF BENTON HARBOR
FIRST QUARTER PARTNERSHIP ESTIMATED INCOME TAX PAYMENT VOUCHER

2021 EST P1Q

Revised: 08/17/2020

Mail To: City of Benton Harbor
P.O. Box 597
Benton Harbor, MI 49023

NACTP # [ ]
EFIN # [ ]

PAYMENT VOUCHER 1 Due Date:

Table with 4 columns: Name of partnership, Partnership's FEIN, Address (Number and street), Suite no., Address line 2 (P.O. Box address for mailing use only), City, town or post office, State, Zip code, Amount of estimated tax you are paying by check or money order, Round to nearest dollar. Total amount .00.

{SCAN LINE} (see Appendix N, Scan Line Specifications)

Printed 08/30/2016

CF-1065ES

CITY OF BENTON HARBOR
PARTNERSHIP ESTIMATED INCOME TAX PAYMENT VOUCHER
SECOND QUARTER

2021 EST P2Q

Name of Partnership: [ ]

Partnership's FEIN: [ ]

Due on or Before: 6/30/2021 or the last day of the sixth month after the start of the fiscal year or short tax year

Payment: \$ [ ]

- Payment Method:
• Make payment by check or money order payable to "City of Benton Harbor." Write the partnership's FEIN number, daytime phone number, and "2021 CF-1065ES" on your payment. DO NOT SEND
• CASH. To pay by direct debit to your bank account, use form CF-1065ES-EFT. Many cities do not accept direct debit estimated tax payments. See city's website for more information.
• To pay by credit card see income tax website of the city.

Address for Payment: City of Benton Harbor Income Tax Department, P.O. Box 597, Benton Harbor, MI 49023

Taxpayer Records:
Amount Paid: \_\_\_\_\_
Check Number: \_\_\_\_\_
Date Mailed: \_\_\_\_\_

\* Due Date If the due date falls on a Saturday, Sunday or holiday, the due date is the next business day.

Revised: 08/17/2020

KEEP TOP PORTION FOR YOUR RECORDS. SEND BOTTOM PORTION WITH YOUR PAYMENT

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CF-1065ES

CITY OF BENTON HARBOR
SECOND QUARTER PARTNERSHIP ESTIMATED INCOME TAX PAYMENT VOUCHER

2021 EST P2Q

Revised: 08/17/2020

Mail To: City of Benton Harbor
P.O. Box 597
Benton Harbor, MI 49023

NACTP # [ ]
EFIN # [ ]

PAYMENT VOUCHER 2 Due Date:

Table with 4 columns: Name of partnership, Partnership's FEIN, Address (Number and street), Suite. no., Payment voucher 2D barcode, City, town or post office, State, Zip code, Amount of estimated tax you are paying by check or money order, Round to nearest dollar.

{SCAN LINE} (see Appendix N, Scan Line Specifications)

Printed 08/30/2016

CF-1065ES

CITY OF BENTON HARBOR
PARTNERSHIP ESTIMATED INCOME TAX PAYMENT VOUCHER
THIRD QUARTER

2021 EST P3Q

Name of Partnership: [ ]

Partnership's FEIN: [ ]

Due on or Before: 9/30/2021 or the last day of the ninth month after the start of the fiscal year or short tax year

Payment: \$ [ ]

- Payment Method:
• Make payment by check or money order payable to "City of Benton Harbor." Write the partnership's FEIN number, daytime phone number, and "2021 CF-1065ES" on your payment.
• DO NOT SEND CASH. To pay by direct debit to your bank account, use form CF-1065ES-EFT. Many cities do not accept direct debit estimated tax payments. See city's website for more information.
• To pay by credit card see income tax website of the city.

Address for Payment: City of Benton Harbor Income Tax Department, P.O. Box 597, Benton Harbor, MI 49023

Taxpayer Records:
Amount Paid: \_\_\_\_\_
Check Number: \_\_\_\_\_
Date Mailed: \_\_\_\_\_

\* Due Date If the due date falls on a Saturday, Sunday or holiday, the due date is the next business day.

Revised: 08/17/2020

KEEP TOP PORTION FOR YOUR RECORDS. SEND BOTTOM PORTION WITH YOUR PAYMENT

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CF-1065ES

CITY OF BENTON HARBOR
THIRD QUARTER PARTNERSHIP ESTIMATED INCOME TAX PAYMENT VOUCHER

2021 EST P3Q

Revised: 08/17/2020

Mail To: City of Benton Harbor
P.O. Box 597
Benton Harbor, MI 49023

NACTP # [ ]
EFIN # [ ]

PAYMENT VOUCHER 3 Due Date:

Table with 4 columns: Name of partnership, Partnership's FEIN, Address (Number and street), Suite no., Address line 2 (P.O. Box address for mailing use only), City, town or post office, State, Zip code, Amount of estimated tax you are paying by check or money order, Round to nearest dollar. Total amount .00.

{SCAN LINE} (see Appendix N, Scan Line Specifications)

Printed 08/30/2016

CF-1065ES

CITY OF BENTON HARBOR
PARTNERSHIP ESTIMATED INCOME TAX PAYMENT VOUCHER
FOURTH QUARTER

2021 EST P4Q

Name of Partnership: [ ]

Partnership's FEIN: [ ]

Due on or Before: 1/31/2022 or the last day of the thirteenth month after the start of the fiscal year or short tax year

Payment: \$ [ ]

- Payment Method:
• Make payment by check or money order payable to "City of Benton Harbor." Write the partnership's FEIN number, daytime phone number, and "2021 CF-1065ES" on your payment.
• DO NOT SEND CASH. To pay by direct debit to your bank account, use form CF-1065ES-EFT. Many cities do not accept direct debit estimated tax payments. See city's website for more information.
• To pay by credit card see income tax website of the city.

Address for Payment: City of Benton Harbor Income Tax Department, P.O. Box 597, Benton Harbor, MI 49023

Taxpayer Records:
Amount Paid: [ ]
Check Number: [ ]
Date Mailed: [ ]

\* Due Date If the due date falls on a Saturday, Sunday or holiday, the due date is the next business day.

Revised: 08/17/2020

KEEP TOP PORTION FOR YOUR RECORDS. SEND BOTTOM PORTION WITH YOUR PAYMENT

V DETACH HERE V

CF-1065ES

CITY OF BENTON HARBOR
FOURTH QUARTER PARTNERSHIP ESTIMATED INCOME TAX PAYMENT VOUCHER

2021 EST P4Q

Revised: 08/17/2020

Mail To: City of Benton Harbor
P.O. Box 597
Benton Harbor, MI 49023

NACTP # [ ]
EFIN # [ ]

PAYMENT VOUCHER 4 Due Date:

Table with 4 columns: Name of partnership, Partnership's FEIN, Address (Number and street), Suite no., Address line 2 (P.O. Box address for mailing use only), City, town or post office, State, Zip code, Amount of estimated tax you are paying by check or money order, Round to nearest dollar. Total amount .00.

{SCAN LINE} (see Appendix N, Scan Line Specifications)

Printed 08/30/2016

CF-1065ES-EFT

CITY OF BENTON HARBOR
PARTNERSHIP ESTIMATED INCOME TAX PAYMENT VOUCHER
FIRST QUARTER

2021 EST P1Q

Name of Partnership: [ ] Bank Routing Number: [ ]
Partnership's FEIN: [ ] Bank Account Number: [ ]
Due on or Before: 04/30/2021 or the last day of the 4th month after the start of the fiscal year. Type of Bank Account: [ ] Checking [ ] Savings
Payment: \$ [ ] Elective Withdrawal Date: [ ]

Payment Method: DO NOT SEND CASH OR ANY OTHER FORM OF PAYMENT WITH PAYMENT VOUCHER BELOW. The payment voucher is authorization for city to directly withdrawal your payment from your bank account.

Additional Information: If due date falls on a Saturday, Sunday or legal holiday, the due date is extended to the next business day.

Address for Payment: City of Benton Harbor Income Tax Department, P.O. Box 597, Benton Harbor, MI 49023

Taxpayer Records: Amount Paid: \_\_\_\_\_

\* Due Date If the due date falls on a Saturday, Sunday or holiday, the due date is the next business day.

Revised: 08/17/2020

KEEP TOP PORTION FOR YOUR RECORDS. SEND BOTTOM PORTION WITH YOUR PAYMENT

V DETACH HERE V

CF-1065ES-EFT

CITY OF BENTON HARBOR
FIRST QUARTER PARTNERSHIP ESTIMATED INCOME TAX PAYMENT VOUCHER

2021 EST P1Q

Revised: 08/17/2020

Mail To: City of Benton Harbor
P.O. Box 597
Benton Harbor, MI 49023

NACTP # [ ]
EFIN # [ ]

PAYMENT VOUCHER 1 Due Date:

Name of partnership [ ] Partnership's FEIN [ ] Bank routing number [ ] Type of account [ ] Checking [ ] Savings [ ]
Bank account number [ ] Elective withdrawal date [ ]
Address (Number and street) [ ] Suite. no. [ ] Payment voucher 2D barcode [ ]
Address line 2 (P.O. Box address for mailing use only) [ ]
City, town or post office [ ] State [ ] Zip code [ ]
Amount of estimated tax you are authorizing the City of Benton Harbor to deduct from your bank account [ ] Round to nearest dollar .00

{SCAN LINE} (see Appendix N, Scan Line Specifications)

Printed 08/30/2016



CF-1065ES-EFT

CITY OF BENTON HARBOR
PARTNERSHIP ESTIMATED INCOME TAX PAYMENT VOUCHER
SECOND QUARTER

2021 EST P2Q

Name of Partnership: [ ] Bank Routing Number: [ ]
Partnership's FEIN: [ ] Bank Account Number: [ ]
Due on or Before: 06/30/2021 or the last day of the sixth month after the start of the fiscal year. Type of Bank Account: [ ] Checking [ ] Savings
Payment: \$ [ ] Elective Withdrawal Date: [ ]

Payment Method: DO NOT SEND CASH OR ANY OTHER FORM OF PAYMENT WITH PAYMENT VOUCHER BELOW. The payment voucher is authorization for city to directly withdrawal your payment from your bank account.

Additional Information: If due date falls on a Saturday, Sunday or legal holiday, the due date is extended to the next business day.

Address for Payment: City of Benton Harbor Income Tax Department, P.O. Box 597, Benton Harbor, MI 49023

Taxpayer Records: Amount Paid: \_\_\_\_\_

\* Due Date If the due date falls on a Saturday, Sunday or holiday, the due date is the next business day.

Revised: 08/17/2020

KEEP TOP PORTION FOR YOUR RECORDS. SEND BOTTOM PORTION WITH YOUR PAYMENT

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CF-1065ES-EFT

CITY OF BENTON HARBOR
SECOND QUARTER PARTNERSHIP ESTIMATED INCOME TAX PAYMENT VOUCHER

2021 EST P2Q

Revised: 08/17/2020

Mail To: City of Benton Harbor
P.O. Box 597
Benton Harbor, MI 49023

NACTP # [ ]
EFIN # [ ]

PAYMENT VOUCHER 2 Due Date:

Name of partnership [ ] Partnership's FEIN [ ] Bank routing number [ ] Type of account [ ] Checking [ ] Savings [ ]
Bank account number [ ] Elective withdrawal date [ ]
Address (Number and street) [ ] Suite. no. [ ] Payment voucher 2D barcode [ ]
Address line 2 (P.O. Box address for mailing use only) [ ]
City, town or post office [ ] State [ ] Zip code [ ]
Amount of estimated tax you are authorizing the City of Benton Harbor to deduct from your bank account [ ] Round to nearest dollar .00

{SCAN LINE} (see Appendix N, Scan Line Specifications)

Printed 08/30/2016

CF-1065ES-EFT

CITY OF BENTON HARBOR
PARTNERSHIP ESTIMATED INCOME TAX PAYMENT VOUCHER
THIRD QUARTER

2021 EST P3Q

Name of Partnership: [ ] Bank Routing Number: [ ]
Partnership's FEIN: [ ] Bank Account Number: [ ]
Due on or Before: 09/30/2021 or the last day of the 9th month after the start of the fiscal year. Type of Bank Account: [ ] Checking [ ] Savings
Payment: \$ [ ] Elective Withdrawal Date: [ ]

Payment Method: DO NOT SEND CASH OR ANY OTHER FORM OF PAYMENT WITH PAYMENT VOUCHER BELOW. The payment voucher is authorization for city to directly withdrawal your payment from your bank account.

Additional Information: If due date falls on a Saturday, Sunday or legal holiday, the due date is extended to the next business day.

Address for Payment: City of Benton Harbor Income Tax Department, P.O. Box 597, Benton Harbor, MI 49023

Taxpayer Records: Amount Paid: \_\_\_\_\_

\* Due Date If the due date falls on a Saturday, Sunday or holiday, the due date is the next business day.

Revised: 08/17/2020

KEEP TOP PORTION FOR YOUR RECORDS. SEND BOTTOM PORTION WITH YOUR PAYMENT

V DETACH HERE V

CF-1065ES-EFT

CITY OF BENTON HARBOR
THIRD QUARTER PARTNERSHIP ESTIMATED INCOME TAX PAYMENT VOUCHER

2021 EST P3Q

Revised: 08/17/2020

Mail To: City of Benton Harbor
P.O. Box 597
Benton Harbor, MI 49023

NACTP # [ ]
EFIN # [ ]

PAYMENT VOUCHER 3 Due Date:

Name of partnership [ ] Partnership's FEIN [ ] Bank routing number [ ] Type of account [ ] Checking [ ] Savings [ ]
Bank account number [ ] Elective withdrawal date [ ]
Address (Number and street) [ ] Suite. no. [ ] Payment voucher 2D barcode [ ]
Address line 2 (P.O. Box address for mailing use only) [ ]
City, town or post office [ ] State [ ] Zip code [ ]
Amount of estimated tax you are authorizing the City of Benton Harbor to deduct from your bank account [ ] Round to nearest dollar .00

{SCAN LINE} (see Appendix N, Scan Line Specifications)

Printed 08/30/2016

CF-1065ES-EFT

CITY OF BENTON HARBOR
PARTNERSHIP ESTIMATED INCOME TAX PAYMENT VOUCHER
FOURTH QUARTER

2021 EST P4Q

Name of Partnership: [ ] Bank Routing Number: [ ]
Partnership's FEIN: [ ] Bank Account Number: [ ]
Due on or Before: 01/31/2022 or the last day of the 13th month after the start of the fiscal year. Type of Bank Account: [ ] Checking [ ] Savings
Payment: \$ [ ] Elective Withdrawal Date: [ ]

Payment Method: DO NOT SEND CASH OR ANY OTHER FORM OF PAYMENT WITH PAYMENT VOUCHER BELOW. The payment voucher is authorization for city to directly withdrawal your payment from your bank account.

Additional Information: If due date falls on a Saturday, Sunday or legal holiday, the due date is extended to the next business day.

Address for Payment: City of Benton Harbor Income Tax Department, P.O. Box 597, Benton Harbor, MI 49023

Taxpayer Records: Amount Paid: \_\_\_\_\_

\* Due Date If the due date falls on a Saturday, Sunday or holiday, the due date is the next business day.

Revised: 08/17/2020

KEEP TOP PORTION FOR YOUR RECORDS. SEND BOTTOM PORTION WITH YOUR PAYMENT

V DETACH HERE V

CF-1065ES-EFT

CITY OF BENTON HARBOR
FOURTH QUARTER PARTNERSHIP ESTIMATED INCOME TAX PAYMENT VOUCHER

2021 EST P4Q

Revised: 08/17/2020

Mail To: City of Benton Harbor
P.O. Box 597
Benton Harbor, MI 49023

NACTP # [ ]
EFIN # [ ]

PAYMENT VOUCHER 4 Due Date:

Name of partnership [ ] Partnership's FEIN [ ] Bank routing number [ ] Type of account [ ] Checking [ ] Savings [ ]
Bank account number [ ] Elective withdrawal date [ ]
Address (Number and street) [ ] Suite. no. [ ] Payment voucher 2D barcode [ ]
Address line 2 (P.O. Box address for mailing use only) [ ]
City, town or post office [ ] State [ ] Zip code [ ]
Amount of estimated tax you are authorizing the City of Benton Harbor to deduct from your bank account [ ] Round to nearest dollar .00

{SCAN LINE} (see Appendix N, Scan Line Specifications)

Printed 08/30/2016

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## GENERAL INFORMATION

### Disclaimer

These instructions are interpretations of the Uniform City Income Tax Ordinance, MCLA 141.601 et seq. The Ordinance will prevail in any disagreement between these instructions and the Ordinance.

### Partnerships Required to File a Return

Every partnership with business activity in the city, whether or not an office or place of business was maintained in the city, is required to file an annual return. Syndicates, joint ventures, pools and like organizations and Limited Liability Companies (LLCs) electing to be taxed as partnerships at the federal level will also use Form CF-1065.

## Taxability of Partnership Income under the Michigan Uniform City Income Tax Ordinance

**Partners who are individual RESIDENTS** are taxed on their entire distributive share of the net profits of the partnership, including that arising from business activities outside the city: ordinary business income, interest income, dividend income, rents, royalties, other income, and gains from the sale or exchange of property, either tangible or intangible, regardless of where the property is located.

**Partners who are individual NONRESIDENTS including estates and trusts** are taxed on their distributive share of the partnership’s ordinary business income which is attributable to business activity in the city, plus net rentals of tangible property located in the city and gains from the sale or exchange of tangible property in the city. Nonresidents are not taxed on their share of net rentals of property located outside the city, gains from the sale or exchange of tangible property located outside the city, gains from the sale or exchange of securities or other intangible property, or on non-business interest and dividend income.

When the receipt of interest and other intangible income is directly related to the nature of the business, such interest, etc., is business income taxable to a nonresident, and is to be included in ordinary business income in Schedule A.

**Partners who are CORPORATIONS** are taxed at the corporate tax rate on their distributive share of the partnership’s: ordinary business income attributable to business activity in the city; net rentals of tangible property; and gains from the sale or exchange of tangible property attributable to business activity in the city. Thus, all taxable income of a corporate partner (net profits of a corporation) is determined by the business allocation percentage of the partnership.

**Partners who are PARTNERSHIPS, LLC’s electing to be taxed as a partnership, JOINT VENTURES, ETC. (downstream partnership)** are taxed based upon their partner’s entity classification and share of partnership income. See section on Partnerships Electing to Pay Tax for more information on partnership partners.

Refer to the chart on page 7 of these instructions for information on the taxability of the various types of partnership income based upon the partner’s entity classification. Also refer to the instructions under Schedule B for additional information on taxability of the various types of income.

## MICHIGAN CITIES ACCEPTING THE PARTNERSHIP COMMON FORM

Albion	Hamtramck	Pontiac
Battle Creek	Highland Park	Port Huron
Benton Harbor	Ionia	Portland
Big Rapids	Jackson	Saginaw
East Lansing	Lansing	Springfield
Flint	Lapeer	Walker
Grand Rapids	Muskegon	
Grayling	Muskegon Heights	

## MICHIGAN CITIES NOT ACCEPTING THE PARTNERSHIP COMMON FORM

Detroit	Hudson
---------	--------

## FILING THE PARTNERSHIP COMMON FORM

Partnership Common Form returns must be printed and filed on paper with the city. Mail the partnership return with all required attachments to the address for the specific city listed in Appendix G. See Appendix F for a list of required partnership return attachments.

## LIST OF PARTNERSHIP FORMS AND SCHEDULES

Form CF-1065, page 1
Schedule 1 – Partner Information Schedule
Schedule 2 – Tax Calculation Schedule for Partnerships Electing to Pay Tax (If information return, disregard this schedule)
Schedule A – Allocable Partnership Ordinary Business Income
Schedule B – Partnership Income not included in Schedule A
Schedule C – Distribution to Partners
Schedule D – Business Allocation Percentage
Schedule E – Rental Real Estate
Schedule G – Credit for Tax Paid to Another City in behalf of Resident Partners
Schedule K-1 (Form CF-1065) – Partner’s Share of Income, Exclusions, Deductions, Credits and Tax Paid
Schedule RZ (Form CF-1065) – Partnership Renaissance Zone Deduction
Schedule N - Supplemental Notes and Schedules (Attachment 22)

## ALLOCATE AND APPORTION - DEFINED

The word allocate in these instructions means to determine partner’s taxable portion of the type of partnership income using: the partner’s classification and the Business Allocation Percentage calculated on Schedule D, Business Allocation Percentage, line 5; or in the case of a taxpayer authorized by the Income Tax Administrator of the city, the special allocation formula percentage calculated on Schedule D, line c.

The meaning of the word apportion as used in these instructions means to: directly determine the partner's taxable income based upon the partner's classification; or the partner's classification and the location of the source of the income.

### **PARTNERSHIPS REQUIRED TO FILE A RETURN**

Every partnership with business activity in the city, whether or not an office or place of business was maintained in the city, is required to file an annual return. Syndicates, joint ventures, pools and like organizations and Limited Liability Companies (LLCs) electing to be taxed as partnerships at the federal level will also use Form CF-1065.

### **OBTAINING PARTNERSHIP RETURN FORMS**

Partnership return forms are not mailed to partnerships. The forms are available for download on the website of the city. See Appendix H for a listing of the cities website addresses.

### **RENAISSANCE ZONE DEDUCTION**

A partnership located and doing business in a city Renaissance Zone may be eligible to claim the Renaissance Zone deduction. This deduction allows the partnership or the partners, if qualified, to deduct the portion of the partnership income earned in a Renaissance Zone from income subject to tax. A taxpayer is not qualified to claim the deduction if the taxpayer is delinquent for any Michigan or local taxes.

If a partnership elects to pay tax on behalf of its partners, the deduction is claimed on the partnership return. Otherwise, the deduction is passed through to the partners who claim the deduction by filing Schedule RZ with their return. A city income tax return must be filed to claim this deduction. Schedule RZ of CF-1065 is required to be attached to the partnership return when a partnership is qualified to claim the deduction. See separate instructions for Schedule RZ (Form 1065).

### **DUE DATE OF PARTNERSHIP RETURN**

Calendar year taxpayers must file by April 30, 2021. Fiscal year taxpayers must file by the last day of the fourth month after the end of their fiscal year or short period return.

### **EXTENSION OF TIME TO FILE A PARTNERSHIP RETURN**

For partnerships electing to pay tax, Form CF-7004, Automatic Extension of Time to File Certain Business Income Tax, Information and Other Returns, must be filed on or before the due date for filing the partnership return. An extension is automatically granted upon filing of Form CF-7004 and payment of the tentative tax balance due (Form CF-7004, line 3). Failure to pay the balance due invalidates the extension request. Interest and penalty will be assessed on taxes paid late even if an extension of time to file is granted.

For partnerships filing an information return, a six-month extension of time to file is automatically granted. Do not file Form CF-7004, Application for Automatic Extension of Time to File Certain Business Income Tax, Information and Other Returns.

### **REQUIRED RETURN ATTACHMENTS**

When filing a city's partnership return, Form CF-1065, certain schedules and copies of federal forms are required to be attached. See Appendix F for a listing of attachments and attachment order.

### **MAILING ADDRESS FOR FILING A PARTNERSHIP RETURN**

Mail the partnership return to the address listed for the city in Appendix G.

### **PARTNERSHIPS FILING AN INFORMATION RETURN**

A partnership is required to file an information return unless the partnership elects to compute and pay the tax due on behalf of all partners.

Partnerships filing information returns are required to complete: Form CF-1040 (Identification and Information and Signature sections), Schedule 1, Schedule A, Schedule B, Schedule C and if appropriate Schedule D and Schedule E.

The Partnership Return, Form CF-1065, is designed to distinguish between income taxed at the resident, nonresident or corporation tax rates. The purpose of the return is to set forth the entire net profit for the tax period and to show the distributive share of each partner and indicate the entity type of the partner and, if an individual, the residency status of the partner. If residency changes during the year for any individual partner, use two lines to indicate allocation of income by residency status. On Schedule 1, Partner Information Schedule, enter the start date of residency on the resident line and the end date of residency on the nonresident line.

Ordinary business income of the partnership is reported in Schedule A. Each partner's distributable share of the ordinary business income is reported on Schedule C, column 1.

Partnership income not reported in Schedule A is reported in Schedule B, by type of income and the taxable and nontaxable portions for partners taxed at the resident, nonresident or corporation tax rate. The taxable income from Schedule B, columns 6 and 7 is reported by partner in Schedule C, columns 6 or 7.

Schedule K-1 (Form CF-1065), Partners Share of Income, Exclusions, Deductions, Credits and Tax Paid, is to be provided to each partner to assist them in filing their city income tax return.

### **PARTNERSHIPS ELECTING TO PAY TAX**

A partnership may elect to pay tax on behalf of all of its partners. When the partnership pays the tax, the individual partners are not required to file a return. However, a city's income tax return is required from any partner having city taxable income other than the distributive share of the net profits of the partnership. In such instances, a partner required to file a return should refer to the city's income tax return instructions for reporting partnership income and claiming credit for tax paid by the partnership.

Partnerships electing to pay the tax on behalf of the partners assume the status of taxpayer to the following extent: (1) timely payment must be made; and (2) estimated income tax payments, Form CF-1065ES, are required if the total 2021 estimated tax for the partnership is expected to exceed \$100. The calendar or fiscal year of the partnership will govern in establishing the due dates for making estimated tax payments.

Partnerships electing to pay tax must prepare and file all the forms and schedules required for an information return and complete Schedule 2, Tax Calculation Schedule, and Form CF-1065, lines 1 through 8. Schedule 2 details each partner's share of the city's taxable income, deductions, exemptions, tax at the resident, nonresident or corporation tax rate and any credit for tax paid to another city. Form CF-1065, lines 1 through 8, reports: the tax; all payment and credits; any balance due or overpayment; and how any overpayment is to be credited, donated or refunded.

Payment of tax for partnership partners (downstream partnership) requires a supplementary schedule showing the detail of the calculation of tax due. An alternative to filing a detailed schedule is calculation of taxable income for the downstream partnership as a resident partner and calculation of the tax at the city's resident tax rate.

### **PAGE 1 INSTRUCTIONS**

A partnership filing an information return is required to complete the Identification and Information section and the Signature section of Form CF-1065. Also in the Disclosure of Return Information section, the partnership may elect to allow disclosure of return information between a designated individual or firm and the city's income tax department.

A partnership electing to pay tax is required to complete all of Form CF-1065 and specifically to mark (X) the box on line F. The partnership may elect to make payment of any tax due by a direct debit withdrawal from its bank account; or to receive any overpayment refund via a direct deposit to its bank account. Also, in the Disclosure of Return Information section, the partnership may elect to allow disclosure of return information between a designated individual or firm and the city's income tax department.

### **IDENTIFICATION AND INFORMATION**

All partnerships are to provide the information requested and answer all questions in this section.

### **TAX**

**Line 1.** Add the totals from Schedule 2, Tax Calculation Schedule, columns 8 and 9, and enter on line 1.

### **PAYMENTS AND CREDITS**

**Line 2.** Enter the total payments and credits for each type of tax payment listed on lines 2a through 2d and, for resident individual partners, the total of any credits for tax paid to another city on line 2e. Enter the total of the payments and credits on line 2f.

### **BALANCE DUE**

**Line 3.** If total tax (line 1) is greater than the total tax payments (line 2f) subtract line 2f from line 1 and enter balance of tax due. The balance due must be paid when filing the return.

To pay with a check or money order make the check or money order payable to the city, place the payment in front of the return and mail the payment and return to the address listed for the city in Appendix G.

To make payment via direct withdrawal from firm's bank account mark (X) the box on line 8b, Pay tax due – direct withdrawal, and complete (line 8c) the bank routing number, (line 8d) the bank account number and (line 8e1 or 8e2) the account type. **Not all cities allow payment by direct withdrawal.** See Appendix J for a listing of cities accepting direct withdrawal payment of tax due.

### **OVERPAYMENT**

**Line 4.** If the total payments and credits (line 2f) is greater than the tax due (line 1) subtract line 1 from line 2f and enter the overpayment amount.

### **CREDIT FORWARD**

**Line 5.** Enter all or the portion of the overpayment to be credited forward.

### **DONATIONS**

**Line 6.** Donate all or any portion of overpayment. Most of the cities accepting the Common Form allow taxpayers to donate all or a part of their overpayment. Some cities have more than one donation option and allow taxpayers to split the donations between options, and some cities require taxpayers to pick only one donation option. See Appendix D for a list of the cities accepting donations and the donation options for each city.

There are three donation boxes on line 6 (see Appendix D). To donate to the first listed option for a city, enter the amount to be donated into donation box 6a; to donate to the second listed option, enter the amount to be donated into donation box 6b; to donate to the third listed option, enter

the amount to be donated into donation box 6c. Enter the total of the donations on line 6d.

## REFUND

**Line 7.** Enter the amount overpayment to be refunded. A refund will be issued via a paper refund check unless you choose to receive the refund via direct deposit. To receive the refund by direct deposit, mark (X) the box on line 8a for Refund – direct deposit and enter (line 8c) the bank routing number, (line 8d) the bank account number and (line 8e1 or 8e2) the account type, checking or savings. Not all cities make refunds by direct deposit. See Appendix J for a listing of cities making direct deposit refunds.

## DISCLOSURE OF RETURN INFORMATION

**Line 9.** By marking (X) the “Yes” box (line 9a) and completing lines 10a and 10b in the Disclosure of Return Information section, the partnership is authorizing the city’s Income Tax Department to contact the preparer for answers to any questions that may arise relating to its return and to answer any questions from the preparer about the return. Also, by marking (X) the “Yes” box (line 9a) and completing lines 10a and 10b, the partnership is authorizing the preparer to: provide the city’s Income Tax Department with any information about or missing from the return; respond to notices about math errors, offsets and return preparation; and contact the Income Tax Department for information about the return or the status of any related refund or payments.

All cities accepting returns following the partnership common form format allow the check box for authorization for disclosure of return information.

## SIGNATURE

**Line 11.** In the Signature section the partner or member representing the entity must sign the return (line 11b), and enter the following data: the date the returned was signed (line 11a); the printed name of the partner or member signing the return (line 11c); and a day time phone number for the partner or member.

**Line 12.** The preparer must sign the return (line 12a) and enter the following data: the printed name of the preparer (line 12b); the name and address of the preparer’s firm (line 12c through 12f); the date prepared (line 12g); and the preparer’s telephone number (line 12h)

**Line 13.** The NACTP number of the software used to prepare the return must be entered on line 13.

## INSTRUCTIONS FOR OTHER SCHEDULES

### SCHEDULE 1 – PARTNER INFORMATION SCHEDULE

All partnerships must complete the Partner Information Schedule. See Appendix P, Partner Classification Table, for information to complete columns 3, 4 and 5. Column 3 data entry is based upon federal Schedule K-1 (Form 1065) instructions for Item I.

If column 3 for the partner equals individual, nominee for an individual or a disregarded entity owned by an individual, enter the residency classification in column 4 (R, N, PR or PN). If column 4 for the partner equals part-year resident (PR or PN), report the resident portion (PR) and nonresident portion (PN) on separate partner lines and in column 5 enter the residency start date (mm/dd/yyyy) for the tax year on the resident (PR) line and the residency end date for the year on the nonresident (PN) line.

### SCHEDULE 2 – TAX CALCULATION SCHEDULE (Disregard if information return)

Partnerships electing to pay tax for partners must complete Schedule 2, Tax Calculation Schedule. Partnerships filing an information return disregard this schedule.

**Columns 1, 2 and 3.** Enter partner’s name, entity type and tax identification number as listed on Partner Information Schedule.

**Column 4.** Enter partner’s total city income as reported on Schedule C, column 7.

**Column 5.** Allowable partner deductions which relate to the partnership are deducted in column 5. These deductions include the self-employed pension plan deduction, the Renaissance Zone deduction and any other deduction allowed the partner under the city’s income tax ordinance. This column is also used to adjust (add back) for a net capital loss realized by any of the partners, in excess of the partner’s maximum allowable (\$3,000) capital loss deduction. Therefore, a net capital loss realized by any of the partners, in excess of the partner’s allowable capital loss deduction must be added back in column 5. The allowable capital loss deduction for each partner is the lesser of (1) the net capital loss, (2) the amount in column 4, computed without regard to capital gains and losses, or (3) \$3,000. Capital loss carryovers may be carried forward to the same extent allowed in the Internal Revenue Code, but may not be carried back to prior years. **Attach a schedule detailing computation of amounts reported in column 5.**

**Column 6.** Personal and dependency exemptions are allowed to be claimed for each partner who is an individual resident or nonresident, to the same extent allowed on the partner’s federal income tax return. Additional exemptions are allowed if the taxpayer or spouse is 65 years of age or older, or is blind. In general, the same rules apply in determining dependents as under the federal Internal Revenue Code. A spouse may be taken as an exemption on the partnership return only if such spouse has no income subject to the city’s income tax. Exemptions for a partner whose residence status has changed from a resident to a nonresident or from a

nonresident to a resident of the city during the taxable year are first applied against income while a resident, with the balance, if any, applied to the city’s income while a nonresident. A partner’s personal and dependency exemptions may not be claimed on more than one partnership return. Partners who are estates or trusts are allowed one exemption. Exemptions are not allowed to any other partners (i.e., corporations, partnerships, etc.). See Appendix B for personal exemption information for each city.

**Column 7.** Enter the taxable income, column 4 less columns 5 and 6.

**Column 8.** Enter tax due at the resident or corporation tax rate applicable from Appendix A for all taxpayers except nonresident individuals, estates or trusts.

**Column 9.** Enter tax due at the nonresident tax rate applicable from Appendix A for nonresident individuals, estates or trusts only.

**Column 10.** The tax paid for each partner is equal to the tax due (column 8 or 9) less, for resident individual partners only, any credit for tax paid to another city (Schedule G, column 6, for the partner).

The total of column 10 should equal the actual amount of tax paid by the partnership; the sum of the amounts reported on page 1 lines 2a, 2b, 2c, 2d and 3 less line 4, the tax overpayment.

## SCHEDULE A – ALLOCABLE ORDINARY BUSINESS INCOME (LOSS)

Schedule A is used to report and adjust the ordinary business income of the partnership. The ordinary business income as reported on federal Form 1065, page 1, line 22, must be adjusted for the following; city income tax deducted on the federal return must be added back; interest and any other costs incurred with the production of tax exempt income must be added back; the federal Section 179 deduction and other deductions allowed must be deducted; and ordinary income (loss) from another partnership must be removed (as it is reported in Schedule B).

The total adjusted ordinary business income reported on Schedule A, line 6, is allocated to the partners in Schedule C. The total reported on Schedule C, column 1, must equal the amount listed on Schedule A, line 6.

Income not included in Schedule A is reported in Schedule B, Partnership Income not reported in Schedule A. Instructions for the Schedules indicate how amounts are allocated or apportioned to the partners.

## SCHEDULE B – PARTNERSHIP INCOME NOT INCLUDED IN SCHEDULE A

Schedule B is used to report income not included in Schedule A (Adjusted Ordinary Business Income) and allocate or apportion this income between partners taxed at the individual resident, corporation or individual nonresident tax rates. Enter the income by category as reported on the federal Form 1065, Schedule K or page 1, on Schedule B, column 1.

The various types in partnership income are taxed differently based upon the partner entity classification. Refer to Appendix Q for information on the taxability of the various types of partnership income for the various types of partner entities. Also refer to the instructions below for additional information on exclusion or taxability of the various types of partnership income.

**Interest Income and Dividend Income.** All partners may exclude interest and dividend income from obligations of the United States, the states or subordinate units of government. Interest and dividend income is totally excluded for nonresident individuals, estate and trust partners.

**Sale or Exchange of Property.** This category includes sales and exchanges of short-term, long-term and Section 1231 property. The portion of the gain or loss attributable to the period prior to the applicable effective date of the ordinance from Appendix A is excludible for all partner entity types.

**Rent and Royalty Income.** Enter the excludible and taxable portions of rental income from rental real estate activities, rental income from other rental activities or royalty income.

**Other Income.** Enter the excludible and taxable portions of other income.

**Ordinary Income from Other Partnerships.** Enter each partner’s excludible and taxable portions of ordinary income (or loss) from other partnerships. Attach a worksheet for each partnership, estate or trust that details the name, address, FEIN and the apportionment of this income. The ordinary business income of another partnership is allocated based upon the other partnership’s business allocation percentage for the city and/or the entity type of partner.

**Total Apportioned Income.** Summarize the taxable portion of income from the categories reported on Schedule B. The totals from Schedule C, columns 6 and 7 must equal the totals reported on Schedule B, columns 6 and 7 respectively.

## SCHEDULE C – DISTRIBUTION TO PARTNERS

**Column 1.** Enter in column 1 each individual partner’s share of ordinary adjusted business income from Schedule A, line 6. If Sec. 179 depreciation is included in Schedule A and the partners have unequal credits for such

additional depreciation (e.g., if one partner is single and one is married filing jointly for federal income tax purposes), the apportionment of income to partners may require a special computation.

**Column 2.** Enter the amount of guaranteed payments to partners receiving them. Guaranteed payments are taxable in the same manner as a distributive share of the partnership's profits.

**Column 4.** Enter the appropriate business allocation percentage based upon partner entity type. Individual resident and partnership partners use a 100% allocation. Individual nonresident, estate, trust, corporation, exempt entity and foreign government partners enter the business allocation percentage from Schedule D, line 5, or the special allocation percentage authorized. Disregarded entity and nominee partners enter the appropriate allocation percentage based upon the entity type of the actual owner of the partnership interest.

**Column 6.** Enter taxable portion of the individual resident, corporation or other partners Schedule B income.

**Column 7.** Enter the taxable portion of the individual nonresident, Estate or trust partners Schedule B income.

**Column 8.** Add the amounts reported for each partner in columns 5, 6 and 8 and enter the total for the column. Also enter the amount for each partner and the column total in column 1, page 1 of the return.

#### **SCHEDULE D – BUSINESS ALLOCATION PERCENTAGE**

The business allocation percentage is to be applied to the distributive share of business income of CORPORATE AND NONRESIDENT partners if business activity of the partnership is conducted both within and outside the city.

Elective use of the Multistate Tax Compact apportionment provisions is no longer allowed. On 09/14/2014 the Multistate Tax Compact provisions of Michigan law were retroactively repealed effective 01/01/2008.

**Line 1a.** Enter in column 1 the average net book value of all real and tangible personal property owned by the business, regardless of location; and in column 2 report the net book value of the real and tangible personal property owned and located or used in the city. The average net book value of real and tangible personal property may be determined by adding the net book values at the beginning and end of the year and dividing the sum by two.

**Line 1b.** Enter in column 1 the gross annual rent multiplied by 8 for all rented real property regardless of location. In column 2 show the gross annual rent multiplied by 8 for rented real property located in the city. Gross annual rent refers to real property only, rented or leased during the taxable period, and should include the actual sums of money or other consideration payable, directly or indirectly, by the taxpayer for the use or possession of such property.

**Line 2.** Enter in column 1 the total compensation paid to all employees during the year and in column 2 show the amount of compensation paid to employees for work or services performed within the city.

**Line 3.** Enter in column 1 the total gross revenue from all sales or services rendered during the year, and in column 2 show the amount of revenue derived from sales made or services rendered in the city during the year. To allocate net profit (or loss), a partnership must have business activity outside of the city.

#### **SCHEDULE E – RENTAL REAL ESTATE**

If the business activity of the partnership includes rental of real estate, list the complete address and the gain or loss from each separate piece of rental real estate in Schedule E.

#### **SCHEDULE G – CREDIT FOR TAX PAID TO ANOTHER CITY ON BEHALF OF RESIDENT PARTNERS**

If the partnership incurs an income tax liability to any other city in addition to this city, a credit is allowed for tax paid to the other city on income of a resident individual that is taxable by both cities. The credit is limited to the smaller of: (1) the income tax paid to the other city on behalf of the resident partner; or (2) the amount of tax that would be due on the same amount of income of a nonresident of this city after deducting the value of the exemptions claimed by the partner for this city (Form CF-1065, Schedule 2, column 6). DO NOT take credit for income taxes paid to any other city on behalf of nonresident, corporate or partnership partners.

#### **SCHEDULE K-1 (Form CF-1065) – PARTNER'S SHARE OF INCOME, EXCLUSIONS, DEDUCTIONS, CREDITS AND TAX PAID**

##### **Partnership Instructions for Schedule K-1 (Form CF-1065)**

A partnership is required to prepare and give Schedule K-1 (Form CF-1065) to each person who was a partner in the partnership at any time during the year. Schedule K-1 (Form CF-1065) must be provided to each partner on or before the day on which the partnership return is required to be filed.

Partnerships electing to pay tax that have a partnership partner (downstream partnership) are also required to provide Schedule K-1 (Form CF-1065) to each partner of the downstream partnership (or chain of downstream partnerships) if the tax for the downstream partnership is

calculated based upon the downstream partnership's partner's classification.

If the return is for a fiscal year or a short tax year fill in the fiscal tax year spaces at the top of each Schedule K-1. If this is a final or an amended K-1, mark (X) the appropriate box at the top of each Schedule K-1.

On each Schedule K-1, enter the information about the partnership and the partner in Parts I and II (items A through M). In Part III, enter: in column A the amounts from the partners federal Schedule K-1 (Form 1065); in column B the amounts of exclusions or adjustments to the amounts in column A; and in Column C the partner's city taxable share of each item of income, deduction or information.

##### **Part I. Information About the Partnership**

On each Schedule K-1, enter (A) the identifying number of the partnership, and its (B) name and address. Also enter the (C) partnership's business allocation percentage (Form CF-1065, Schedule D, line 5 or special formula line d).

##### **Part II. Information About the Partner**

On each Schedule K-1 complete the information for the partner for items E through I and J through M as it was completed on the partner's federal Schedule K-1 (Form 1065). For item I2, if the partner code for item I1 is a code that represents an individual, estate or trust, enter in item I2 the following code for the partner: R for resident partner, N for a nonresident partner, PR for the resident portion and PN for the nonresident portion of the year for a part-year resident partner. See Appendix P, Partner Classification Table, for additional information. For item I3, mark (X) the box if the partner is a retirement plan. For item N enter the partner's partner number as reported on Form CF-1065, Schedule 1. When a partner is a part-year resident, two Schedule K1's (Form CF-1065) are to be issued, one for the resident portion of the year and one for the nonresident portion of the year as two lines are required for reporting the partner's income.

If the partnership elects to pay tax and the partner is a partnership, mark (X) the item D box and enter the partnership partner's identification number. Complete the other items for this partnership partner. Parts III and Part IV for this downstream partnership is a compilation of their partner's Schedules K-1. Also, complete a Schedule K-1 (Form CF-1065) for each partner of the downstream partnership completing item D for the downstream partnership and completing Part II, Part III and Part IV for each downstream partnership partner.

##### **Part III. Partner's share of Current Year Income, Exclusions/Adjustments and City Income**

This part of the Schedule K-1 (Form CF-1065) is divided into three columns: Column A, Federal Partnership Return Data; column B, Exclusions and Adjustments; and column C, City Taxable Income.

##### **Column A, Federal Partnership Return Data**

Column A, line 1, lines 2 through 13 and line 20 are used for reporting income, deductions and other information as reported on the federal Schedule K-1 (Form 1065) for the partner. In each line of column A enter the data as reported in the federal Schedule K-1 except for lines 1a, 11, 13 and 20 follow the instructions below.

**Line 1a. Ordinary income from other partnerships.** This line on the city Schedule K-1 (CF-1065) is used to properly report ordinary business income from other partnerships, estates and trusts. Column A of this line is blank or zero (0) as this line is not on the federal Schedule K-1.

**Codes for lines 11, 13 and 20.** In boxes 11, 13 and 20, identify each item by entering the federal code in the column to the left of Column A.

**Line 13. Other deductions.** In box 13 report only the federal coded items that affect city income of the partner. There are only a few (line 13) other deductions that affect a partner's city income. Deductions that are claimed on the partner's federal return Form 1040 as adjustments to income or itemized deductions are not reported on line 13. If you have a question about reporting a line 13 item, please contact the city for an answer. An example of a line 13 is item I, deductions – royalty income.

**Line 20. Other information.** In box 20 report only the federal coded items that affect city income. There are few items of (line 20) other information that affect the partner's city income. If you have a question about reporting a line 20 item, please contact the city for an answer. An example of a line 20 item is M, recapture of section 179 deduction.

##### **Column B, Exclusions and Adjustments**

Complete column B, City Taxable Income, lines 1 through 13, before completing column B. Once the column C amount for a line is determined and entered, the column B amount for the line is calculated by subtracting the amount in column C from the amount in column A. Enter in the calculated amount in Column B for the line. If a line in any column is blank, it is to be read as a zero (0).

##### **Column C, City Taxable Income**

The amount of city taxable income for each partner is calculated in schedules attached to the partnership return. Enter the data for each line of Column C as determined in the schedule noted for the line.

**Line 1. Ordinary business income.** Enter the amount of the partner's ordinary business income as reported on Form CF-1065, Sch. C, col. 5.

**Line 1a. Ordinary income from other partnerships.** Enter the amount of the partner's taxable share of ordinary income from other partnerships as reported on Form CF-1065.

**Line 2. Net rental real estate income (loss).** Enter the amount of the partner's share of net rental real estate income (loss) as reported on Form CF-1065.

**Line 3. Other rental income (loss).** Enter the amount of the partner's taxable share of other rental income (loss) as reported on Form CF-1065.

**Line 4. Guaranteed payments to partners.** Enter the amount of the partner's guaranteed payments as reported on Form CF-1065, Schedule C, column 2.

**Line 5. Interest income.** Enter the amount of the partner's taxable share of interest income as reported on Form CF-1065.

**Line 6. Dividend income.** Enter the amount of the partner's taxable share of dividend income as reported on Form CF-1065.

**Line 7. Royalties.** Enter the amount of the partner's taxable share of royalties as reported on Form CF-1065.

**Line 8. Net short term capital gain (loss).** Enter the amount of the partner's taxable share of net short term capital gain (loss) as reported on Form CF-1065, Schedule B11, column 3.

**Line 9. Net long term capital gain (loss).** Enter the amount of the partner's taxable share of net long term capital gain (loss) as reported on Form CF-1065.

**Line 10. Net section 1231 gain (loss).** Enter the amount of the partner's taxable share of net section 1231 gain (loss) as reported on Form CF-1065.

**Line 11. Other income.** Enter the amount of the partner's taxable share of other income as reported on Form CF-1065.

**Line 12. Section 179 deduction.** Enter a zero (0) or leave blank as this deduction is already included in the amount reported in column C, line 1.

**Line 13. Other deductions.** The amount to enter on this line must be calculated based upon the type of other deduction and the taxability of the city income related to the deduction. Example: Item I, deductions – royalty income, would be deductible at the same percentage the related royalty income is taxable by the city. There are very few other deduction items that relate to city income.

**Line 20. Other Information.** The amount to enter on this line must be calculated based upon whether the other information is city income or a deduction allowed to determine city income. Example: Item M, recapture of section 179 deduction, would be taxable at the same percentage the related property was taxable by the city. There are very few other information items that relate to city income.

**Part IV. Partner's City Deductions, Credits and Tax Paid**

Part IV is divided into three sections. Refer to the following instructions to complete this section.

**D – Partner's deductions for items paid by the partnership.** Report the partner's share of deductions allowed under the city's income tax ordinance that were paid by the partnership. These deductions are the partner's: IRA deduction; Self-employed, SEP, SIMPLE and qualified plans deduction; Renaissance Zone deduction; etc.

**C – Credit for tax paid by partnership to another city.** Report the tax paid to other cities by partnership on behalf of partner who is a resident of the city named at the top of the Schedule K-1.

**T – Income tax paid by the partnership.** Report the actual tax paid by partnership on behalf of partner to the city named at the top of the Schedule K-1. This is the amount reported on Form CF-1065, Schedule 2, column 10, for the partner.

**Partner Instructions for Schedule K-1 (Form CF-1065)**

Instructions for partner's reporting their partnership income on their individual return (Form CF-1040), corporate return (Form CF-1120) or partnership return (CF-1065) are part of Schedule K-1 (Form CF-1040).

**SCHEDULE N – SUPPORTING NOTED AND SCHEDULES**

If supporting notes or schedules are needed to explain items reported elsewhere on the partnership return, use this attachment for those notes, calculation or explanations.

**SCHEDULE RZ OF (Form CF-1065) – Partnership Renaissance Zone Deduction**

See separate instructions for Schedule RZ (Form CF-1065).

**ASSISTANCE AND WEBSITE ADDRESS**

If you have questions or need assistance, contact the income tax department of the specific city. See to Appendix H for the website address or phone number of the city.

Enter federal classification in column 3; if column 3 equals individual owner, enter residency classification in column 4; and if column 4 equals part-year resident, enter residency start and end dates in column 5				
Column 3 Federal Classification		Column 4 Individual Partner Residency Status		Column 5 Residency Dates
Description	Entry	Description	Entry	Description
Individual	I	Resident	R	
		Nonresident	N	
		Part-year resident, resident portion	PR	Residency start date
		Part-year resident, nonresident portion	PN	Residency end date
Corporation	C			
Estate	F	Nonresident	N	
Trust	F	Nonresident	N	
Partnership	P			
Disregarded Entity	DE	If DE owner is an individual		
		Resident	R	
		Nonresident	N	
		Part-year resident, resident portion	PR	Residency start date
		Part-year resident, nonresident portion	PN	Residency end date
Exempt Organization	E			
Foreign Government	FGOV			
Nominee Type				
Nominee Individual	NI	If actual owner is an individual:		
		Resident	R	
		Nonresident	N	
		Part-year resident, resident portion	PR	Residency start date
		Part-year resident, nonresident portion	PN	Residency end date
Nominee Corporation	NC			
Nominee Estate or Trust	NF	Nonresident	N	
Nominee Partnership	NP			
Nominee Disregarded Entity	NDE	If actual owner of the DE is an individual:		
		Resident	R	
		Nonresident	N	
		Part-year resident, resident portion	PR	Residency start date
		Part-year resident, nonresident portion	PN	Residency end date
Nominee Exempt Organization	NE			
Nominee Individual Retirement Arrangement	NIRA			
Nominee Foreign Government	NFGOV			

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