

ST12-05 – K-1 Income Entry

K-1 statements with income from interest, dividends, capital gains and royalties are within the program scope. **Any other entries on a K-1 are OUT OF SCOPE** (e.g. Rent reported on a K-1 is OUT OF SCOPE).

Use the table below to determine where to enter in-scope items. **DO NOT USE THE K-1 FORM IN TWO.**

Item	form 1041	form 1120S	form 1065	form 8865	TaxWise form
Interest	1	4	5	5	Interest Stmt
Ordinary dividends	2a	5a	6a	6a	Dividend Stmt
Qualified dividends	2b	5b	6b	6b	Dividend Stmt
Tax-exempt interest	14 code A	16 code A	18 code A	18 code A	Interest Stmt
Capital Gains – Short Term	3	7	8	8	Sch D Page 1 Line 5
Capital Gains – Long Term	4a	8a	9a	9a	Sch D Page 1 Line 12
Royalties	n/a	6	7	7	*Question A – Answer NO Sch E Page 1 Line 1C. Sch E Page 1 Line 3b.

The following pages show a K-1 with only in-scope items and the corresponding TWO data entry:

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Source Document: K-1 (Form 1065)

Schedule K-1 (Form 1065) 2012

Department of the Treasury
Internal Revenue Service

For calendar year 2011, or tax year beginning _____, 2011 ending _____, 20_____

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

651111
OMB No. 1545-0099

Final K-1 Amended K-1

Part I Information About the Partnership

A Partnership's employer identification number
82-8XXXXXX

B Partnership's name, address, city, state, and ZIP code
Sussex Partners
123 Main St.
Sparta, NJ 07871

C IRS Center where partnership filed return

D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number
821-XX-YYYY

F Partner's name, address, city, state, and ZIP code
Karla Korn
123 Elm St.
Sparta, NJ 07871

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

H Domestic partner Foreign partner

I What type of entity is this partner? _____

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 the year . . . \$ _____

Current year increase (decrease) . . . \$ _____

Withdrawals & distributions \$ _____

Ending capital account \$ _____

Tax basis GAAP Section 704(b) book
 Other (explain) _____

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

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

1	Ordinary business income (loss)		15 Credits
2	Net rental real estate income (loss)		
3	Other net rental income (loss)	16	Foreign transactions
4	Guaranteed payments		
5	Interest income	101.00	
6a	Ordinary dividends	303.00	
6b	Qualified dividends	202.00	
7	Royalties	1,202.00	
8	Net short-term capital gain (loss)	(42.00)	
9a	Net long-term capital gain (loss)	525.00	17 Alternative minimum tax (AMT) items
9b	Collectibles (28%) gain (loss)		
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)		18 Tax-exempt income and nondeductible expenses
11	Other income (loss)	A 72.00	
12	Section 179 deduction		19 Distributions
13	Other deductions		20 Other information
14	Self-employment earnings (loss)		

*See attached statement for additional information.

For IRS Use Only

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Interest Income -> Interest Stmt

US Schedule B		Interest Received					2012		
Amounts shown in Box 8 should not be entered in the "Box 1 or 3 amount" column. Instead, enter an "E" in the "NAEOB column" and the amount from Box 8 in the "NAEOB amount" column.									
Payer	Box 1 or 3 amount	TSJ	State adjust +/- Amount	NAE OB	NAEOB amount	AMT PAB	Early penalty	Federal withheld	
SUSSEX PARTNERS K-1	101		0		0	0	0	0	
SUSSEX PARTNERS K-1	0		0	E	72	0	0	0	
	0		0		0	0	0	0	

Dividends (Ordinary & Qualified) -> Dividend Stmt

US Schedule B		Dividend Income								2012	
Payer	Ordinary dividends	Qualified dividends	TSJ	State adjust +/- Amount	N	Capital gain	1250 gain	28% gain	Fed with	Exempt int div	AMT PAB
SUSSEX PARTNERS K-1	303	202		0		0	0	0	0	0	0
	0	0		0		0	0	0	0	0	0

Short Term Capital Gains -> Sch D Pg 1 line 5 (documented with Scratch Pad)

4 Short-term capital gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824	0
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1	-42
6 Short-term capital loss carryover If using TSJ, spouse's short-term loss carryover	0
7 Net short-term capital gain or (loss)	-42

Detail Sheet		2012
Name: KARLA KORN		SSN: 821-02-0752
Description: SCH D LINE 5 ST CAP GN FROM K-1S		
Type	Amount	
SUSSEX PARTNERS K-1	-42	
	0	

Long Term Capital Gains -> Sch D Pg 1 line 12 (documented with Scratch Pad)

11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824	0
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1	525
13 Capital gain distributions Form 8814, child's capital gain distributions added to line 13	0
14 Long-term capital loss carryover	0

Detail Sheet		2012
Name: KARLA KORN		SSN: 821-02-0752
Description: SCH D LINE 12 LT CAP GN FROM K-1S		
Type	Amount	
SUSSEX PARTNERS	525	
	0	

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Royalties -> Sch E Pg 1

US Schedule E

Supplemental Income and Loss

2012

Name: KARLA KORN

SSN: 821-02-0752

- A** Did you make any payments in 2011 that would require you to file Form(s) 1099?
See instructions Yes No
- B** If "Yes", did you or will you file all required Forms 1099? Yes No

Part I: Income or Loss From Rental Real Estate and Royalties

Note: If you are in the business of renting personal property, use Schedule C. Report farm rental income or loss from Form 4835 on page 2, line 40.

- * K-1 royalty information transfers to column C of lines 1 and 3b. State income is allocated based on the state listed in the address section below. If any of these properties are part-year rental, part rental and part personal, such as a duplex, or a personal use unit, such as a vacation home, F9 on the "Address" field, A or B, to use a worksheet.

For each rental property listed on line 1, check the box in the QJV column only if you owned that property as a member of a qualified joint venture reporting income not subject to self-employment tax. For each rental real estate property listed, report the number of days rented at fair rental value and days with personal use. See instructions.

- ** Allowable codes for type of property

1 Single family residence	3 Vacation or short-term rental	5 Land	7 Self-rental
2 Multi-family residence	4 Commercial	6 Royalties	8 Other

If type 8, enter a description for

Property A _____ Property B _____
Property C _____

1	Address	TSJ	** Type	Fair rental days	Personal use days	QJV
A	_____	<input type="checkbox"/>	<input type="checkbox"/>	0	0	<input type="checkbox"/>
B	_____	<input type="checkbox"/>	<input type="checkbox"/>	0	0	<input type="checkbox"/>
*C	123 MAIN ST 07871- SPARTA NJ	<input type="checkbox"/>	6	0	0	<input type="checkbox"/>

Income

	Properties		
	A	B	C
3a Merchant card and 3rd party payments	0	0	0
Amounts included in 3a that are not income	0	0	0
b Payments not reported on line 3a F9 to 1099-Misc	0	0	1202
4 Total not including amounts on line 3a that are not income (see instructions)	0	0	1202

Expenses