

Form North Dakota Office of State Tax Commissioner  
**PWA Passthrough Entity Withholding Adjustment**  
 for nonresident individual partner, shareholder, or beneficiary

Name (First, MI, Last)	Social security number	
Mailing address		
City	State	Zip Code

1. Estimated North Dakota distributive share of income from the partnership, S corporation, or trust **OR** estimated total North Dakota taxable income for the tax year, whichever is less ----- **1** \_\_\_\_\_
2. Multiply line 1 by 5.54 percent (.0554) ----- **2** \_\_\_\_\_
3. Estimated North Dakota individual income tax that you paid for the tax year ----- **3** \_\_\_\_\_
4. Additional North Dakota income tax withheld from wage income ----- **4** \_\_\_\_\_
5. Withholding adjustment amount. Add lines 3 and 4 ----- **5** \_\_\_\_\_
6. Amount to withhold. Subtract line 5 from line 2 ----- **6** \_\_\_\_\_

<p><b>To be completed by partner, shareholder, or beneficiary</b> - Sign and date this form. Then give it to the partnership, S corporation, or trust.</p> <p style="text-align: center;"><i>I declare that this form is correct and complete to the best of my knowledge and belief.</i></p> <p>_____ Signature</p> <p>_____ Date</p>	<p><b>To be completed by partner, S corporation, or trust -</b></p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr><td>Name of entity</td></tr> <tr><td>Entity's federal EIN</td></tr> </table> <p>Entity's tax year <input type="checkbox"/> <b>Calendar year</b> _____          to which this          form applies: <input type="checkbox"/> <b>Fiscal year:</b> Ending _____, _____</p>	Name of entity	Entity's federal EIN
Name of entity			
Entity's federal EIN			

**Purpose**

A partnership, S corporation, and trust is required to withhold North Dakota income tax for a full-year nonresident individual partner, shareholder, or beneficiary who:

- Has a North Dakota distributive share of income of \$1,000 or more *and*
- Is not included in a composite return filed by the partnership, S corporation, or trust.

***Note:** For this purpose, a trust means one that files Form 38, and a partnership includes a limited liability company treated like a partnership.*

The entity is required to withhold 5.54 percent of the owner's or beneficiary's North Dakota distributive share of income. However, the entity may withhold a smaller amount if the owner or beneficiary requests a withholding adjustment by completing and giving this form to the entity. An owner or beneficiary may request a withholding adjustment if he or she:

- Already paid estimated North Dakota income tax using Form 400-ES; or
- Had extra North Dakota income tax withheld from wage income to cover the tax owed on his or her North Dakota

distributive share of income from the entity; or

- Will have a North Dakota taxable income that is less than the North Dakota distributive share of income from the entity due to losses from other North Dakota sources for the year.

**Who may use this form**

If you are a full-year nonresident of North Dakota who is a partner in a partnership, a shareholder in an S corporation, or a beneficiary of a trust, you may use this form if you:

- Expect your year-end North Dakota distributive share of income from the entity to be \$1,000 or more for the year *and*
- You want the entity to reduce the amount of North Dakota income tax that it withholds from your distributive share because you have already paid the tax through estimated payments or withholding, or it will be more than you will owe.

Do not complete this form if you elected to include your North Dakota distributive share of income in a composite return filed by the entity. This form does not apply to withholding from wages by an employer.

This form is effective only for the entity's tax year to which it applies, as indicated by the entity on the form. A new form must be completed for each tax year you need to request an adjustment.

**Instructions for owner or beneficiary**

Complete the form as instructed, sign and date the form, and give it to the partnership, S corporation, or trust on or before the last day of its tax year. The entity needs this information before it files its North Dakota tax return.

***Note:** The entity is not obligated to accept this form after the end of its tax year; however, subject to the entity's discretion, it may accept and take it into account in preparing its return.*

**Do not** file this form with your North Dakota individual income tax return or send it to the Office of State Tax Commissioner.

**Instructions for entity**

Enter your name, federal employer identification number, and tax year on the lines provided on the form. Include a copy of each Form PWA received with your Form 58, 60, or 38. Keep the original for your records.