



Enter name of estate or trust	Your federal identification number
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Part 1 Retroactive credit for 2006 property taxes on eligible ND property

Directly owned property (lines 1-2)

1. Did the estate or trust directly own North Dakota agricultural or commercial property, or both, on **January 1, 2007** ?

- No.** Enter zero on line 2, and go to line 3.
- Yes.** Go to line 2.

2. If the answer to question 1 is "Yes," enter the consolidated tax (before the discount and special assessments) from the **2006 real estate tax statement(s)** for the North Dakota agricultural and commercial property directly owned by the estate or trust on January 1, 2007 ----- ▶ **2** _____

Estate or trust owners of a partnership or S corporation (lines 3-5)

3. Did the estate or trust own an interest in a partnership or S corporation on **January 1, 2007** ?

- No.** Enter zero on line 5b, and go to line 6.
- Yes.** Go to line 4.

4. For the partnership or S corporation that the estate or trust held an interest in on January 1, 2007, did the partnership or S corporation own North Dakota agricultural or commercial property, or both, on **January 1, 2007** ?

- No.** Enter zero on line 5b, and go to line 6.
- Yes.** Go to line 5a.

5. a. For each partnership or S corporation for which the estate or trust answered "Yes" to both questions on lines 3 and 4, complete Columns A through E below:

	A Name of entity	B Entity's FEIN	C Entity's 2006 tax on ND agricultural and commercial property	D Estate's or trust's distributive share %	E Estate's or trust's share of entity's property tax (Column C x Column D)
Entity					
1 ▶	_____	_____	_____	%	_____
2 ▶	_____	_____	_____	%	_____

Have more than 2 entities to enter? Obtain and complete Schedule RPT-C, Part 1. Enter the amount, if any, from that schedule here -----

b. Add the amounts in Column E for all entities listed on line 5a ----- **5b** _____

6. 2006 property taxes on North Dakota agricultural and commercial property received from another estate or trust (*See instructions*) ----- ▶ **6** _____

7. Add the amounts on lines 2, 5b, and 6. If zero, skip lines 8 through 12, and go to line 13 on page 2 --- **7** _____

8. Portion of amount on line 7 passed through to beneficiaries (*see instructions*) ----- ▶ **8** _____

Calculation of estate's or trust's retroactive 2006 property tax credit (lines 9-12)

9. Subtract line 8 from line 7. If zero, skip lines 10 through 12, and go to line 13 on page 2 ----- **9** _____

10. Multiply line 9 by 10% (.10) ----- **10** _____

11. Maximum retroactive 2006 property tax credit ----- **11** _____ 1,000

12. **Retroactive 2006 property tax credit** - Enter the smaller of line 10 or line 11.
Enter this amount on page 2, line 25, of this schedule ----- **12** _____

▶ **Also see Part 2 on page 2 of this schedule for the retroactive 2007 property tax credit.**

▶ **Confidentiality waiver.** If this credit is for property that is jointly owned with another taxpayer, the filing of this form constitutes the fiduciary's consent that the Tax Commissioner may, if needed, divulge to any co-owner information from this form pertaining to the jointly owned property for purposes of administering this tax credit.



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Part 2 Retroactive credit for 2007 property taxes on eligible ND property

Directly owned property (lines 13-14)

13. Did the estate or trust directly own North Dakota agricultural or commercial property, or both, on **January 1, 2008**?

- No.** Enter zero on line 14, and go to line 15.
- Yes.** Go to line 14.

14. If the answer to question 13 is "Yes," enter the consolidated tax (before the discount and special assessments) from the **2007 real estate tax statement(s)** for the North Dakota agricultural and commercial property directly owned by the estate or trust on January 1, 2008 ----- ▶ **14** _____

Estate or trust owners of a partnership or S corporation (lines 15-17)

15. Did the estate or trust own an interest in a partnership or S corporation on **January 1, 2008**?

- No.** Enter zero on line 17b, and go to line 18.
- Yes.** Go to line 16.

16. For the partnership or S corporation that the estate or trust held an interest in on January 1, 2008, did the partnership or S corporation own North Dakota agricultural or commercial property, or both, on **January 1, 2008**?

- No.** Enter zero on line 17b, and go to line 18.
- Yes.** Go to line 17a.

17. a. For each partnership or S corporation for which the estate or trust answered "Yes" to both questions on lines 15 and 16, complete Columns A through E below:

	A Name of entity	B Entity's FEIN	C Entity's 2007 tax on ND agricultural and commercial property	D Estate's or trust's distributive share %	E Estate's or trust's share of entity's property tax (Column C x Column D)
Entity					
1 ▶	_____	_____	_____	%	_____
2 ▶	_____	_____	_____	%	_____

Have more than 2 entities to enter? Obtain and complete Schedule RPT-C, Part 2. Enter the amount, if any, from that schedule here -----

b. Add the amounts in Column E for all entities listed on line 17a. ----- **17b** _____

18. 2007 property taxes on North Dakota agricultural and commercial property received from another estate or trust (*See instructions*) ----- ▶ **18** _____

19. Add the amounts on lines 14, 17b, and 18. If zero, skip lines 20 through 24, and enter zero on line 26 ----- **19** _____

20. Portion of amount on line 19 passed through to beneficiaries (*see instructions*) ----- ▶ **20** _____

Calculation of estate's or trust's retroactive 2007 property tax credit (lines 21-24)

21. Subtract line 20 from line 19. If zero, skip lines 22 through 24, and enter zero on line 26 ----- **21** _____

22. Multiply line 21 by 10% (.10) ----- **22** _____

23. Maximum retroactive 2007 property tax credit ----- **23** _____ 1,000

24. **Retroactive 2007 property tax credit**-Enter the smaller of line 22 or line 23. Enter this amount on line 26 of this schedule ----- **24** _____

Part 3 Total retroactive property tax credit

25. Retroactive 2006 property tax credit (*from Part 1, line 12, of this schedule*) ----- ▶ **25** _____

26. Retroactive 2007 property tax credit (*from Part 2, line 24, of this schedule*) ----- ▶ **26** _____

27. **Total retroactive property tax credit** - Add lines 25 and 26. Enter this amount on Form 38, page 1, line 3 ----- **27** _____

▶ **Confidentiality waiver.** If this credit is for property that is jointly owned with another taxpayer, the filing of this form constitutes the fiduciary's consent that the Tax Commissioner may, if needed, divulge to any co-owner information from this form pertaining to the jointly owned property for purposes of administering this tax credit.

Instructions for Schedule RPT (Form 38)

Purpose of form

The 2009 Schedule RPT (Form 38) is a supplemental schedule to the 2009 Form 38. Use this schedule to calculate the retroactive property tax credit allowed on the 2009 North Dakota fiduciary income tax return.

The retroactive property tax credit is available to an estate or trust if the estate or trust:

- was liable for the 2006 or 2007 real estate tax on North Dakota agricultural or commercial property directly owned by the estate or trust, or
- owned an interest in a partnership, S corporation, or limited liability company (treated like a partnership or S corporation) that was liable for the 2006 or 2007 real estate tax on North Dakota agricultural or commercial property, or
- is a beneficiary of another estate or trust that elects to pass through part or all of its eligible 2006 or 2007 real estate taxes to its beneficiaries.

General instructions

The retroactive property tax credit for 2009 consists of the following two separately calculated credits:

- Retroactive 2006 property tax credit
- Retroactive 2007 property tax credit

The eligibility requirements are different for each of the above two credits. To determine eligibility, see the instructions to—

- **Part 1** for the retroactive 2006 property tax credit.
- **Part 2** for the retroactive 2007 property tax credit.

North Dakota agricultural or commercial property

North Dakota agricultural or commercial property means real estate located in North Dakota that the county classifies as agricultural or commercial for real estate tax purposes.

Leased property

An eligible owner of North Dakota agricultural or commercial property that is leased to another person may claim the retroactive credit. This applies even if the tenant agrees to pay the real estate taxes.

Jointly owned property

If North Dakota agricultural or commercial property is jointly owned by two or more persons, each eligible owner may claim the credit on their share of the eligible real estate taxes based on ownership percentage.

Grantor-type trust

The grantor, and not the trust, is allowed to claim the retroactive credit if (1) the trust is a “grantor-type” trust under federal income tax law and (2) the grantor is considered the owner of the trust property. In general, this applies if the grantor retains the power to revoke the trust or to receive property or income from the trust.

Contract for deed

If North Dakota agricultural or commercial property is subject to a contract for deed, the credit is allowed to be claimed by the party who pays the real estate taxes, provided that party meets all of the other requirements for the credit.

Unpaid real estate taxes

The real estate taxes must be paid in full before the credit may be claimed. For jointly owned property, this condition is met regardless of which co-owner(s) paid the taxes.

Election to distribute property taxes to beneficiaries

An estate or trust may elect to pass part or all of eligible real estate taxes through to its eligible beneficiaries, and forego claiming the retroactive property tax credit on that portion of its eligible real

estate taxes. The beneficiaries, in turn, may include the passed through real estate taxes in calculating the retroactive property tax credit on their North Dakota income tax returns. See the instructions to Part 1, line 8, and Part 2, line 20.

Unused retroactive property tax credit

If the retroactive property tax credit is more than the tax liability, the unused portion of the credit may be carried over and used on subsequent years' returns for up to 4 tax years.

Confidentiality waiver

If eligible North Dakota agricultural or commercial property is jointly owned with one or more other persons, the completion and attachment of Schedule RPT (Form 38) to the 2009 Form 38 constitutes the fiduciary's consent that the Tax Commissioner may divulge to a co-owner information from the schedule pertaining to the jointly owned property for purposes of administering the tax credit.

Instructions for Part 1

Retroactive 2006 property tax credit

Note: The eligibility requirements are different for Part 1 and Part 2 of Schedule RPT (Form 38).

Directly owned property (Lines 1 and 2)

Line 1

Answer “Yes” to the question on line 1 only if the estate or trust directly owned North Dakota agricultural or commercial property on **January 1, 2007**. The property is directly owned if the title to the property was held by the estate or trust on that date. The property is not directly owned if the title to the property was in the name of another legal entity, such as a partnership, S corporation, etc. However, if the estate or trust was the owner of a single-member limited

liability company that held the title to the property, and the limited liability company is disregarded as a separate entity for federal income tax purposes, the estate or trust is considered to directly own the property.

Line 2

Complete line 2 only if the answer to the question on line 1 is "Yes." If the answer to the question on line 1 is "No," enter zero on line 2 and go to line 3.

If eligible to complete line 2, enter the consolidated tax from the **2006 real estate tax statement** for all parcels of North Dakota agricultural and commercial property that the estate or trust directly owned on **January 1, 2007**.

If the estate or trust owned 100% of the property, enter the total consolidated tax shown on the 2006 real estate tax statement(s). However, if the estate or trust jointly owned the property with one or more other persons, only enter the estate's or trust's share of the consolidated tax based on its percentage of ownership. For example, if the estate or trust and one other person jointly owned the property on an equal basis, enter 50% of the total consolidated tax.

The consolidated tax is the total property taxes before any special assessments are added and before any discount is subtracted. See the Sample Property Tax Statement.

Owners of a partnership or S corporation (Lines 3-5)

Complete lines 3 and 4 to see if the estate or trust is eligible to claim the retroactive 2006 property tax credit on North Dakota agricultural or commercial property owned by a partnership or S corporation in which the estate or trust held an interest. For this purpose, the terms "partnership" and "S corporation" include a limited liability company if the limited liability company is treated like a partnership or S corporation for federal income tax purposes.

Sample Property Tax Statement

		Receipt # 0000	
Property Number	111-222-333	Tax Breakdown	
Property Address	1000 PROPERTY AVE	Consolidated Tax	2132.45
Addition Name	CASEY'S 88TH	Specials	350.66
Block	10000000	Tax Plus Specials	2483.11
Legal Description	087-	Discount 5% on Tax	106.62
		Discount Amount Due Feb 15th	2376.49
		1st Payment Due March 1st	1416.89
		2nd Payment Due Oct 15th	1066.22
		Special Assessments	
Acres		Principal	266.30
Homestead Credit	No	Interest	84.36
True and Full Value		Installment Due	350.66
Taxable Value		* Balance after installment	1511.96
Mill Levy			

Consolidated tax

This is the amount on which the credit is based.

The estate or trust must be able to answer "Yes" to both of the questions on lines 3 and 4 to be eligible to make an entry on line 5.

Line 3

The estate or trust may answer "Yes" to the question on line 3 only if it owned an interest in a partnership or S corporation on **January 1, 2007**.

If the answer to the question on line 3 is "No," enter zero on line 5b and go to line 6.

Line 4

If the answer to the question on line 3 is "Yes," complete this line; otherwise, enter zero on line 5b and go to line 6.

The estate or trust may answer "Yes" to the question on line 4 only if the partnership or S corporation (for which it answered "Yes" on line 3) owned North Dakota agricultural or commercial property (or both) on **January 1, 2007**. This applies if the title to the property was in the name of the partnership or S corporation on January 1, 2007.

Line 5a

Complete line 5a only if the estate or trust was able to answer "Yes" to both of the questions on lines 3 and 4. If the answer to either question was "No," enter zero on line 5b and go to line 6.

If eligible to complete line 5a, enter in Columns A through E the information for each partnership or S corporation for which the estate or trust was able to answer "Yes" on lines 3 and 4.

The partnership or S corporation may provide the estate or trust with a statement containing the information needed to complete this line. However, if the estate or trust does not receive a statement from the partnership or S corporation, the fiduciary will have to contact the entity to obtain the information.

If there are more than two entities, obtain Schedule RPT-C and complete Part 1 of that schedule.

Column A. Enter the name of the partnership or S corporation.

Column B. Enter the partnership's or S corporation's federal employer identification number (FEIN).

Column C. Enter the total consolidated tax from the **2006 real estate tax statement** for all parcels of North Dakota agricultural and commercial property owned by the partnership or S corporation on **January 1, 2007**. The consolidated tax is the total real estate taxes before any special assessments are added and before any discount is subtracted. See the Sample Property Tax Statement.

Column D. Enter as a percentage the estate's or trust's share of the real estate taxes.

Line 6

Complete this line only if the estate or trust was a beneficiary of another estate or trust on **January 1, 2007**, and the **other estate or trust** meets all of the following conditions:

- The other estate or trust owned North Dakota agricultural or commercial property on **January 1, 2007**;
- The other estate or trust was not terminated prior to the beginning of its 2009 tax year; and,
- The other estate or trust provided a statement to its beneficiaries informing them that it elected on its 2009 North Dakota Form 38, Schedule RPT, Part 1, to pass through to them a portion of the 2006 real estate taxes it paid on North Dakota agricultural and commercial property for purposes of calculating the retroactive 2006 property tax credit.

If all of the above apply, enter on this line the amount of the 2006 real estate tax taxes received from the other estate or trust. **Attach a copy of the statement received from the other estate or trust.**

Line 8

If the estate or trust has eligible 2006 real estate taxes on line 7, it may elect to pass part or all them through to its eligible beneficiaries, and forego claiming the retroactive 2006 property tax credit on that portion of its eligible 2006 real estate taxes. To make this election, enter the

portion of the amount on line 7 that the estate or trust is passing through to its eligible beneficiaries.

An eligible beneficiary means:

- An individual that files Form ND-1;
- An estate or trust that files Form 38;
- A partnership, S corporation, or limited liability company that files Form 58.

For instructions on how to report the passthrough of the estate's or trust's eligible 2006 real estate taxes to its beneficiaries, go to the North Dakota Office of State Tax Commissioner's web site at www.nd.gov/tax, and click on [Fiduciary > Forms > 2009 Fiduciary Income Tax > Notice to Filers of Form 38](#).

Important: Do not use North Dakota Schedule K-1 (Form 38) to report any passthrough of the eligible 2006 real estate taxes to the beneficiaries.

Instructions for Part 2

Retroactive 2007 property tax credit

Note: The eligibility requirements are different for Part 1 and Part 2 of Schedule RPT (Form 38).

Directly owned property (Lines 13 and 14)

Line 13

Answer "Yes" to the question on line 13 only if the estate or trust directly owned North Dakota agricultural or commercial property on **January 1, 2008**. The property is directly owned if the title to the property was held by the estate or trust on that date. The property is not directly owned if the title to the property was in the name of another legal entity, such as a partnership, S corporation, etc. However, if the estate or trust was the owner of a single-member limited liability company that held the title to

the property, and the limited liability company is disregarded as a separate entity for federal income tax purposes, the estate or trust is considered to directly own the property.

Line 14

Complete line 14 only if the answer to the question on line 13 is "Yes." If the answer to the question on line 13 is "No," enter zero on line 14 and go to line 15.

If eligible to complete line 14, enter the consolidated tax from the **2007 real estate tax statement** for all parcels of North Dakota agricultural and commercial property that the estate or trust directly owned on **January 1, 2008**.

If the estate or trust owned 100% of the property, enter the total consolidated tax shown on the 2007 real estate tax statement(s). However, if the estate or trust jointly owned the property with one or more other persons, only enter the estate's or trust's share of the consolidated tax based on its percentage of ownership. For example, if the estate or trust and one other person jointly owned the property on an equal basis, enter 50% of the total consolidated tax.

The consolidated tax is the total property taxes before any special assessments are added and before any discount is subtracted. See the Sample Property Tax Statement.

Owners of a partnership or S corporation (Lines 15-17)

Complete lines 15 and 16 to see if the estate or trust is eligible to claim the retroactive 2007 property tax credit on North Dakota agricultural or commercial property owned by a partnership or S corporation in which the estate or trust held an interest. For this purpose, the terms "partnership" and "S corporation" include a limited liability company if the limited liability company is treated like a partnership or S corporation for federal income tax purposes.

The estate or trust must be able to answer "Yes" to both of the questions on lines 15 and 16 to be eligible to make an entry on line 17.

Line 15

The estate or trust may answer "Yes" to the question on line 15 only if it owned an interest in a partnership or S corporation on **January 1, 2008**.

If the answer to the question on line 15 is "No," enter zero on line 17b and go to line 18.

Line 16

If the answer to the question on line 15 is "Yes," complete this line; otherwise, enter zero on line 17b and go to line 18.

The estate or trust may answer "Yes" to the question on line 16 only if the partnership or S corporation (for which it answered "Yes" on line 15) owned North Dakota agricultural or commercial property (or both) on **January 1, 2008**. This applies if the title to the property was in the name of the partnership or S corporation on January 1, 2008.

Line 17a

Complete line 17a only if the estate or trust was able to answer "Yes" to both of the questions on lines 15 and 16. If the answer to either question was "No," enter zero on line 17b and go to line 18.

If eligible to complete line 17a, enter in Columns A through E the information for each partnership or S corporation for which the estate or trust was able to answer "Yes" on lines 15 and 16.

The partnership or S corporation may provide the estate or trust with a statement containing the information needed to complete this line. However, if the estate or trust does not receive a statement from the partnership or S corporation, the fiduciary will have to contact the entity to obtain the information.

If there are more than two entities, obtain Schedule RPT-C and complete Part 2 of that schedule.

Column A. Enter the name of the partnership or S corporation.

Column B. Enter the partnership's or S corporation's federal employer identification number (FEIN).

Column C. Enter the total consolidated tax from the **2007 real estate tax statement** for all parcels of North Dakota agricultural and commercial property owned by the partnership or S corporation on January 1, 2008. The consolidated tax is the total property taxes before any special assessments are added and before any discount is subtracted. See the Sample Property Tax Statement.

Column D. Enter as a percentage the estate's or trust's share of the property taxes.

Line 18

Complete this line only if the estate or trust was a beneficiary of another estate or trust on **January 1, 2008**, and the **other estate or trust** meets all of the following conditions:

- The other estate or trust owned North Dakota agricultural or commercial property on **January 1, 2008**;
- The other estate or trust was not terminated prior to the beginning of its 2009 tax year; and,
- The other estate or trust provided a statement to its beneficiaries informing them that it elected on its 2009 North Dakota Form 38, Schedule RPT, Part 2, to pass through to them a portion of the 2007 real estate taxes it paid on North Dakota agricultural and commercial property for purposes of calculating the retroactive 2007 property tax credit.

If all of the above apply, enter on this line the amount of the 2007 real estate tax taxes received from the other estate or trust. **Attach a copy of the statement received from the other estate or trust.**

Line 20

If the estate or trust has eligible 2007 real estate taxes on line 19, it may elect to pass part or all them through to its eligible beneficiaries, and forego claiming the retroactive 2007 property tax credit on that portion of its eligible 2007 real estate taxes. To make this election, enter the portion of the amount on line 19 that the estate or trust is passing through to its eligible beneficiaries.

An eligible beneficiary means:

- An individual that files Form ND-1;
- An estate or trust that files Form 38;
- A partnership, S corporation, or limited liability company that files Form 58.

For instructions on how to report the passthrough of the estate's or trust's eligible 2007 real estate taxes to its beneficiaries, go to the North Dakota Office of State Tax Commissioner's web site at www.nd.gov/tax, and click on [Fiduciary > Forms > 2009 Fiduciary Income Tax > Notice to Filers of Form 38](#).

Important: Do not use North Dakota Schedule K-1 (Form 38) to report any passthrough of the eligible 2007 real estate taxes to the beneficiaries.