North Dakota Office of State Tax Commissioner

North Dakota Schedule K-1 (Form 60) 2013

Shareholder's Share of North Dakota Income (Loss), Deductions, Adjustments, Credits, and Other Items

▶ **See separate instructions**

◯ Final ◯ Amended

Corporation's tax year: ◯ **Calendar year 2013** (Jan. 1 - Dec. 31, 2013)

◯ **Fiscal year:** Beginning _____, 2013

Ending _____, 20 ____

Part 1 Corporation information

A Corporation's federal EIN

B Corporation's name, address, city, state, and ZIP code

Part 2 Shareholder information

C Shareholder's SSN or FEIN (from Federal Schedule K-1)

D Shareholder's name, address, city, state, and ZIP code (from Federal Schedule K-1)

E What type of entity is this shareholder? _____

F If shareholder is an individual, estate, or trust, shareholder is a:

◯ **Full-year resident** of North Dakota ◯ **Part-year resident** of North Dakota

◯ **Full-year nonresident** of North Dakota

G Is shareholder included in a composite return? ◯ Yes ◯ No

H Shareholder's stock ownership percentage: _____%

Part 3 All shareholders - North Dakota adjustments and tax credits

1 Interest from U.S. obligations _____

2 Renaissance zone income exemption

a For projects approved ***before August 1, 2013*** _____

b For projects approved ***after July 31, 2013*** _____

3 New or expanding business exemption _____

4 a Renaissance zone: Historic property preservation/renovation tax credit _____

b Renaissance zone: Renaissance fund organization investment tax credit _____

c Renaissance zone: Nonparticipating property owner tax credit _____

5 Seed capital investment tax credit _____

6 Agricultural commodity processing facility investment tax credit _____

7 Supplier biodiesel or green diesel fuel tax credit _____

8 Seller biodiesel or green diesel fuel tax credit _____

Part 3 continued . . .

9 Geothermal credit - after 12/31/08 _____

10 Employer internship program tax credit _____

11 Microbusiness tax credit _____

12 Research expense tax credit _____

13 a Endowment fund tax credit _____

b Endowment fund contribution adjustment _____

14 Workforce recruitment tax credit _____

15 Credit for wages paid to mobilized employee _____

16 Angel fund investment tax credit _____

17 Housing incentive fund tax credit _____

18 Automation tax credit _____

Part 4 Nonresident individual, estate or trust shareholder only - North Dakota income (loss)

19 Corporation's apportionment factor _____

20 Ordinary income (loss) _____

21 Net rental real estate income (loss) _____

22 Other net rental income (loss) _____

23 Interest income _____

24 Ordinary dividends _____

25 Royalties _____

26 Net short-term capital gain (loss) _____

27 Net long-term capital gain (loss) _____

28 Net section 1231 gain (loss) _____

29 Other income (loss) _____

30 Section 179 deduction _____

31 Other deductions _____

32 I.R.C. Section 179 property disposition gain (loss) _____

Part 5 Nonresident individual or tax-exempt organization shareholder only

33 North Dakota distributive share of income (loss) _____

34 North Dakota income tax withheld _____

35 North Dakota composite income tax _____

2013
Shareholder's Instructions for North Dakota Schedule K-1 (Form 60)

Purpose of schedule

North Dakota Schedule K-1 (Form 60) is provided to you by the corporation to show your share of the income, gains, losses, deductions, tax credits, and other items from the corporation that you need to complete your North Dakota income tax return. These instructions will assist you in transferring the amounts from the schedule to your North Dakota income tax return.

Resident individual, estate, or trust shareholder. If you are a North Dakota resident individual, estate, or trust, you must report to North Dakota your entire share of the corporation's income, gains, losses, and deductions included in your federal taxable income. You have received North Dakota Schedule K-1 only to show your share of the corporation's North Dakota statutory adjustments and tax credits that may affect the preparation of your North Dakota income tax return.

Nonresident individual, estate, or trust shareholder. If you are a nonresident individual, estate, or trust, you must report to North Dakota your share of the corporation's income, gains, losses, and deductions that are apportioned and allocated to North Dakota based on the corporation's activity in North Dakota. These items are shown in Part 4 of North Dakota Schedule K-1. Unless you are a nonresident individual who elected to include your share of these items in a composite return filed on your behalf by the corporation, you must file a North Dakota income tax return to report and pay the required income tax on them.

Tax-exempt organization. If you are a tax-exempt organization, you have received North Dakota Schedule K-1 to show your North Dakota distributive share of income. It also shows your share of the corporation's North Dakota statutory adjustments and tax credits that may affect the preparation of the North Dakota income tax return, if you are required to file one. See the instructions to Part 5, line 33, below for more information on whether or not you have to file a North Dakota return.

Composite return election. If you are a nonresident individual who elected to include your share of the corporation's North Dakota income, gains, losses, and deductions in a composite return filed by the corporation, you are not required to file a North Dakota individual income tax return. North Dakota Schedule K-1 shows your share of these items and the composite income tax paid on them. If you later choose to file your own North Dakota individual income tax return, follow the instructions below to transfer the amounts from North Dakota Schedule K-1 to your return.

Amended Schedule K-1 (Form 60). If you received an amended North Dakota Schedule K-1 (Form 60) from the corporation, and you previously filed a North Dakota income tax return, you must file an amended North Dakota income tax return to report the changes in income, gains, losses, deductions, and other items. You also must attach a copy of the amended North Dakota Schedule K-1 (Form 60) to your amended North Dakota income tax return.

Note: Any reference to another North Dakota form and line number contained in these instructions generally refers to the form to be used for the 2013 tax year. Therefore, report the amounts from the 2013 North Dakota Schedule K-1 on your 2013 North Dakota return. However, if you and the S corporation do not have the same tax year, enter the amounts on the North Dakota return that you file for the tax year in which the S corporation's tax year ends. For example, if you file on a calendar year basis, and the S corporation's year ends in February 2014, report the amounts on your 2014 return.

Part 3
All shareholders–North Dakota adjustments and tax credits

Note: The terminology "Not applicable" in the right-hand column of the following lists means that the item does not apply to the return being completed; do not enter the item on the return.

Lines 1–18

Form ND-1 filer:

Include the amount from this schedule:	On:
Line 1	Form ND-1, line 7
Line 2a	Sch. RZ, Part 1,line 19a
Line 2b	Sch. RZ, Part 1,line 19b
Line 3	Form ND-1SA, line 2
Line 4a	Sch. RZ, Part 4, line 7
Line 4b	Sch. RZ, Part 5, line 4
Line 4c	Sch. RZ, Part 6, line 6
Line 5	Sch. ND-1TC, line 4
Line 6	Sch. ND-1TC, line 3
Line 7	Sch. ND-1TC, line 6
Line 8	Sch. ND-1TC, line 7
Line 9	Sch. ND-1TC, line 14b
Line 10	Sch. ND-1TC, line 8a
Line 11	Sch. ND-1TC, line 9a
Line 12	Sch. ND-1TC, line 10a
Line 13a	Sch. ND-1TC, line 12
Line 13b	See instructions to Form ND-1, line 4a
Line 14	Sch. ND-1TC, line 13a
Line 15	Sch. ND-1TC, line 15
Line 16	Sch. ND-1TC, line 11a
Line 17	Sch. ND-1TC, line 19
Line 18	Sch. ND-1TC, line 20

Form 38 filer:

Include the amount from this schedule:	On:
Line 1	Form 38, page 2, Part 1, line 4a
Line 2a	Sch. RZ, Part 1, line 19a
Line 2b	Sch. RZ, Part 1, line 19b
Line 3	Form 38, page 2, Part 1, line 4d
Line 4a	Sch. RZ, Part 4, line 7
Line 4b	Sch. RZ, Part 5, line 4
Line 4c	Sch. RZ, Part 6, line 6
Lines 5-8	Form 38, page 1, line 3
Line 9	Not applicable
Lines 10-12	Form 38, page 1, line 3
Line 13a	Form 38, page 1, line 3
Line 13b	See instructions to Form 38, page 2, Part 1, line 2
Lines 14-18	Form 38, page 1, line 3

Part 4
Nonresident individual, estate, or trust shareholders only– North Dakota income (loss)

Line 19

Enter the corporation's apportionment factor from Schedule FACT, line 14.

Lines 20-32

If you are a nonresident individual, estate, or trust, lines 20 through 32 of Part 4 show your share of the corporation's North Dakota income, gains, losses, and deductions that you must report on your North Dakota income tax return. Transfer these amounts to your North Dakota income tax return as instructed below based on the type of return you are filing.

If the full amount of any item is not included in your adjusted gross income on your federal income tax return because of limitations on the deductibility of a passive activity loss, capital loss, section 179 deduction, or for any other reason, enter on your North Dakota return only that portion of the item included in your federal adjusted gross income.

Attach a statement to your North Dakota income tax return explaining any difference between an amount shown on North Dakota Schedule K-1 (Form 60) and the amount reported on your North Dakota income tax return.

Form ND-1 filer (nonresident only):

Include the amount from this schedule:	On Schedule ND-1NR, Column B:
Lines 20-22	Line 6
Lines 23-24	Line 2
Line 25	Line 6
Lines 26-28	Line 4
Line 29	Line 8
Lines 30-31	Line 6
Line 32	Line 4

Form 38 filer (nonresident only):

Include the amount from this schedule:	On Tax Computation Schedule, Part 2, Column B:
Lines 20-22	Line 5
Line 23	Line 1
Line 24	Line 2
Line 25	Line 5
Lines 26-27	Line 4
Line 28	Line 4 or 7
Line 29	Line 8
Lines 30-31	Line 5
Line 32	Line 4 or 7

Part 5

Nonresident individual or tax-exempt organization shareholders only

Line 33

This is the net amount of your North Dakota distributive share of income (loss) from the corporation. Do not enter the amount from this line anywhere on your return. ***It is for your information only*.**

Nonresident individual only. If you have a North Dakota distributive share of income of $1,000 or more, the corporation was required to withhold North Dakota income tax from it at the rate of 3.22% unless you elected to include it in a composite return filed by the corporation.

Tax-exempt organization only. The North Dakota distributive share of income shown on this line includes your share of the corporation's income, gains, losses, and deductions that are apportioned and allocated to North Dakota. If part or all of your distributive share of income from the corporation is taxable under federal income tax law, the North Dakota portion of that taxable income is taxable under North Dakota income tax law. If you have North Dakota taxable income, you must file a North Dakota income tax return (using Form 40) to report the income and pay any tax due on it.

Line 34

Nonresident individual only

If applicable, the amount shown on this line is the amount of North Dakota income tax withheld by the corporation from your North Dakota distributive share of income. Include this amount on Form ND-1, line 28. **Attach a copy of North Dakota Schedule K-1 (Form 60) to your return.**

Line 35

Nonresident individual only

If you elected to include your North Dakota distributive share of income (loss) in a composite return, the amount shown on this line is the amount of North Dakota composite income tax paid on your behalf by the corporation. If you made this election, you are not required to file your own North Dakota individual income tax return. ***This is for your information only.***

Note: *If you later choose to file your own North Dakota individual income tax return, you may claim this amount as a tax payment on Form ND-1, line 28. Attach a copy of the North Dakota Schedule K-1 (Form 60) to your return to support the amount claimed.*