



# Non-Resident Owners Composite Filing Tax Return

Calendar Year: \_\_\_\_\_, \_\_\_\_\_ or Tax Year: beginning \_\_\_\_\_, \_\_\_\_\_, ending \_\_\_\_\_, \_\_\_\_\_

NAME OF SUBCHAPTER K ENTITY \_\_\_\_\_

ADDRESS OF SUBCHAPTER K ENTITY \_\_\_\_\_

CITY	STATE	ZIP	FEIN OF SUBCHAPTER K ENTITY
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FILING PERIOD <input type="checkbox"/> Calendar Year <input type="checkbox"/> Fiscal Year	TOTAL NUMBER OF OWNERS	NUMBER OF NON-RESIDENT OWNERS INCLUDED IN COMPOSITE FILING
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1. Amount of tax due from line 14F, Schedule 65CK1 for non-corporate non-resident owners (*see instructions*) \_\_\_\_\_
2. Amount of tax due from line 14G, Schedule 65CK1 for corporate non-resident owners (*see instructions*) . . . \_\_\_\_\_
3. **Total tax due from non-resident owners (add lines 1 and 2)** . . . . . \_\_\_\_\_
4. **This is the amount to be remitted** . . . . . \_\_\_\_\_

**Please Sign Here**    **UNDER PENALTIES OF PERJURY**, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your Signature	Title or Position	Date
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Preparer's signature	Date	Preparer's social security no. .....
Firm's name (or yours, if self-employed) and address	E.I. No.	ZIP Code

Remit this form along with your check or money order payable to **Alabama Department of Revenue** to:

**Alabama Department of Revenue  
Partnership/Composite Payments  
P.O. Box 327444  
Montgomery, AL 36132-7444**

**DO NOT ATTACH TO FORM 65, THIS FORM MUST BE MAILED SEPARATELY.**

**Form 65C Replaces Alabama Form IT: E-3**

# Schedule 65CK1

# Alabama Department of Revenue

(A) Non-Resident Shareholder's Name, Street Address, City, State, and ZIP	(B) Social Security Number	(C) FEIN	(D) Owner's Entity Type	(E) Owner's Share of Income	(F) Non-Corporation Owner's Share of Tax Due (Col. E X 5%)	(G) Corporate Owner's Share of Tax Due (Col. E X 6.5%)
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
<b>13 Totals from additional pages.....</b>						
<b>14F</b> Add lines 1 through 13, column F and enter here and on line 1, page 1						
<b>14G</b> Add lines 1 through 13, column G and enter here and on line 2, page 1						

**IF MORE THAN 12 NON-RESIDENT OWNERS, ATTACH ADDITIONAL SHEETS.**

# Instructions for Form 65C and Schedule 65CK1

For the first tax year beginning on or after January 1, 2001, every subchapter K entity having one or more non-resident owners during any part of the taxable year shall file a composite return and make a composite payment on behalf of all of its non-resident owners at the time the subchapter K entity's annual return is required to be filed for that taxable year (determined without regard to extensions).

By filing Form 65C, an Alabama subchapter K entity reports each non-resident owner's share of the Alabama subchapter K entity **income**. No further filing may then be required by the owner. If a non-resident owner has other income in this State or is due a refund (e.g. due to a net operating loss carryforward), an individual Non-resident Income Tax Return, Form 40NR, must be filed by that owner. On Form 40NR, the owner reports all Alabama income including the owner's share of the Alabama subchapter K entity income. The composite payment made by the subchapter K entity on behalf of its non-resident owners will be accounted for as an estimated tax payment on the owners' return(s).

Any changes must be made on an amended Form 65C no later than the extended due date of the return. After this date, changes in income affecting the owner's tax must be made on the Form 40NR, Alabama Individual Non-resident Income Tax Return.

For tax years beginning on or after January 1, 2002, non-resident owners will be required to file consent agreements with the subchapter K entity. For tax year 2002 only, a subchapter K entity is not required to make a composite payment for any non-resident owner that certifies in writing, under penalty of perjury, to the entity prior to the filing of the entity's income tax return that the non-resident owner has fully paid its Alabama income tax attributable to its distributive share of the entity's net taxable income allocated and apportioned to Alabama with respect to its taxable year ending in 2001. If the non-resident owner that has filed a statement or consent agreement does not pay the tax due at the required time, the subchapter K entity shall pay such amount on behalf of the non-resident owner within 60 days after notice and demand from the Department.

Form 65C and other information are available on the internet from our Web site at [www.ador.state.al.us](http://www.ador.state.al.us).

## General Instructions

**PERIOD COVERED.** File the 2001 return for calendar year 2001 and fiscal years that begin in 2001 and end in 2002.

**ORIGINAL DUE DATE.** The 2001 return for calendar year 2001 is due on or before April 15, 2002. For fiscal year or short year taxpayers, the return is due on or before the 15th day of the 4th month following the close of the tax period. If the 15th falls on Saturday, Sunday, or a state holiday then the due date will be considered the following business day.

If an **extension** is requested, this form must be completed and submitted with the tax due on or before the original due date.

**PAYMENT OF TAX.** The total tax liability on the composite return is due on or before the 15th day of the 4th month following the close of the tax period. Payments made after the original due date will be subject to interest and penalty charges. Make check or money order payable to: Alabama Department of Revenue. Write the subchapter K entity's Federal Employer Identification Number (FEIN), the income tax form number (Form 65C), and the tax year on the check.

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**CAUTION: Do not attach the Form 65C or the Form 65C payment to the Form 65 or vice versa.**

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**SIGNATURE.** The return must be signed by an authorized officer of the subchapter K entity. Enter the date signed and the officer's title. If the return is prepared by someone other than an employee of the subchapter K entity, enter the signature and identification information of the preparer.

## Specific Instructions

At the top of the form, fill in the blanks indicating the tax year. In the top block, enter the name and mailing address (with complete zip code) of the subchapter K entity, Federal Identification Number, tax year type, number of owners, and number of non-resident owners included in composite return.

**LINE 1.** Enter the total amount of tax due from Schedule 65CK1 for every non-corporate non-resident owner.

**LINE 2.** Enter the total amount of tax due from Schedule 65CK1 for every corporate non-resident owner.

**LINE 3.** Total amount of tax due. (Add lines 1 and 2.)

**LINE 4.** This is the amount to be remitted.

**SCHEDULE 65CK1, LINES 1-12.** Give complete information regarding each non-resident owner as requested in columns (A), (B), (C), (D), (E), (F) and (G). Column (E) should include the amount of each non-resident owner's pro rata share of the Alabama Subchapter K entity income allocated and apportioned to Alabama. Separately stated items of loss, deduction, or expense which are subject to other limitations on the individual's return including federal income tax, contribution, investment interest expense, and casualty losses, are not included on the Form 65C. The owner's pro rata share of these items can only be taken on the non-resident individual return, Form 40NR. If a non-resident owner has a loss, do not include the owner on Form 65C.

**LINE 13.** Enter the totals from any additional pages.

**LINE 14F.** Add lines 1 through 13, column F and enter here and on line 1, page 1.

**LINE 14G.** Add lines 1 through 13, column G and enter here and on line 2, page 1.

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**Form 65C Replaces Alabama Form IT: E-3.**

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