

## ST13-05 – 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 the line number on the various K-1 forms and where in TaxWise 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 – Use Scratch Pad for amount and payer
Capital Gains – Long Term	4a	8a	9a	9a	Sch D Page 1 Line 12 - Use Scratch Pad for amount and payer
Royalties	n/a	6	7	7	Sch E Question A – Answer NO Sch E Page 1 Line 1A or 1C complete TSJ and Type column (Type is 6) Sch E Line 4A or 4C– Use Scratch Pad to show amount and payer..

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)**

Department of the Treasury  
Internal Revenue Service

2013

For calendar year 2011, or tax  
year beginning \_\_\_\_\_, 2011  
ending \_\_\_\_\_, 20\_\_\_\_

651111

OMB No. 1545-0099

Final K-1       Amended K-1

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

**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**

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

\*See attached statement for additional information.

For IRS Use Only

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## Interest Income -> Interest Stmt

US Schedule B		Interest Received						2013	
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										2013	
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		2013	
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		2013	
Name:	KARLA KORN	SSN:	821-02-0752
Description: SCH D LINE 12 LT CAP GN FROM K-1S			
Type	Amount		
SUSSEX PARTNERS	525		
	0		

# ST13-05 – K-1 Income Entry

## Royalties -> Sch E Pg 1

US Schedule E

Supplemental Income and Loss

2013

Name: GRANT SUE

SSN: 008-03-0752

### 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.

**A** Did you make any payments in 2013 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

\* 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 real estate property listed, report the number of fair rental and personal use days. Check the QJV box only if you meet the requirements to file as a joint qualified venture. 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	_____	_	_	_0	_0	<input type="checkbox"/>
B	_____	_	_	_0	_0	<input type="checkbox"/>
*C	_____	T	6	_0	_0	<input type="checkbox"/>

### Income

F9 to 1099-Misc on line 3 or 4	Properties		
	A	B	C
3 Rents received	_0	_0	_0
4 Royalties received	_0	_0	1202