



Utah Partnership/Limited Liability Partnership, Limited Liability Company Return of Income	1998 TC-65
For the year ending Dec. 31, 1998, or fiscal taxable year beginning _____ and ending _____.	Rev. 12/98

PARTNERSHIP

Partnership/Limited Liability Partnership/Limited Liability Company Name		
Address		
City	State	Zip Code
Telephone Number ()	Employer Identification Number (EIN)	

Indicate whether the entity named above is a: Partnership Limited Liability Partnership Limited Liability Company

Attach a copy of the federal Form 1065 without K-1s, except for nonresident partners/members whose Utah reportable income is over \$1,000.

1. Number of partners/members who are not Utah residents (If all partners/members are Utah residents, complete lines 2, 3, 4 and 5 only)	1	
2. Date partnership/limited liability partnership/limited liability company registered in Utah (MM/DD/YY)	2	/ /
3. If partnership/limited liability partnership/limited liability company is dissolved, date of dissolution (MM/DD/YY)	3	/ /
4. Did the partnership/limited liability partnership/limited liability company have income derived from Utah sources, or maintain a bona fide office, store, factory, or place of business in Utah?	4	Yes <input type="checkbox"/> No <input type="checkbox"/>
5. Amount of Utah income	5	00
6. Percentage of Utah income attributable to nonresidents	6	%
7. Is this a composite return on behalf of nonresident partners/members? If you answered yes to line 7, you must complete lines 8 through 12	7	Yes <input type="checkbox"/> No <input type="checkbox"/>
8. Utah income attributable to nonresident partners/members included in composite filing (Attach form TC-65N, Schedule N)	8	00
9. Deduction amount (multiply line 8 by .15)	9	00
10. Utah taxable income attributable to nonresident partners/members included in composite filing (line 8 minus line 9)	10	00
11. Tax rate	11	.07
12. Tax due (line 10 multiplied by line 11)	12	00

Under penalties of perjury, I declare that to the best of my knowledge, this return and accompanying schedules are true, correct, and complete.

Signature of general partner/member	Date
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Official Use Only

Paid Preparer's Section	Paid preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN / PTIN — —
	Firm's name (or yours if self-employed)	Telephone number	E.I. Number —	
	Paid preparer's complete address	City	State	ZIP Code

Return to be filed with the Utah State Tax Commission, 210 N 1950 W, SLC, UT 84134-0270, telephone (801) 297-2200 or 1-800-662-4335.

Utah Partnership/Limited Liability Partnership/Limited Liability Company Return of Income TC-65 Schedule G

Partnership/Limited Liability Partnership/Limited Liability Company Name	Taxable Year Ending	Employer Identification Number
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General Partners/Managing Members **Please make any corrections in the space provided**

SSN/EIN: _____ Name: _____ Address: _____ City: _____ State: _____ ZIP Code: _____ Telephone: _____ Date Affiliated: ____ / ____ / ____ Date Withdrawn: ____ / ____ / ____	<input type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited Liability Partnership <input type="checkbox"/> Limited Liability Company
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SSN/EIN: _____ Name: _____ Address: _____ City: _____ State: _____ ZIP Code: _____ Telephone: _____ Date Affiliated: ____ / ____ / ____ Date Withdrawn: ____ / ____ / ____	<input type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited Liability Partnership <input type="checkbox"/> Limited Liability Company
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SSN/EIN: _____ Name: _____ Address: _____ City: _____ State: _____ ZIP Code: _____ Telephone: _____ Date Affiliated: ____ / ____ / ____ Date Withdrawn: ____ / ____ / ____	<input type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited Liability Partnership <input type="checkbox"/> Limited Liability Company
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SSN/EIN: _____ Name: _____ Address: _____ City: _____ State: _____ ZIP Code: _____ Telephone: _____ Date Affiliated: ____ / ____ / ____ Date Withdrawn: ____ / ____ / ____	<input type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited Liability Partnership <input type="checkbox"/> Limited Liability Company
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TC-65 Instructions

1. Returns by Partnership/Limited Liability Partnership (LLP)/Limited Liability Company (LLC).

Every partnership/LLP/LLC having a resident partner/member, or having any income derived from sources in Utah, must file a return on form TC-65 for the taxable year, and must attach to the return a copy of its federal partnership return, form 1065, for the same year (without Schedules K-1) and a schedule of modifications, if any, as required by instruction 13. In addition, a complete federal Schedule K-1 must be attached for each nonresident partner/member whose Utah reportable income is over \$1,000. **Do not send Schedules K-1 for Utah resident partners/ members.**

2. When and where the return must be filed.

A return must be filed with the Utah State Tax Commission, 210 N 1950 W, SLC, UT 84134-0270 on or before the 15th day of the fourth month following the close of the fiscal year or by April 15th for a calendar year business. If the due date falls on a Saturday, Sunday, or legal holiday, the return will be due the following business day.

3. Extension of time for filing return.

Taxpayers are automatically allowed an extension of up to six months to file their returns. This is an extension of time for filing your return and not an extension of time to pay tax due. While the extension to file is automatic, if the statutorily prescribed prepayment is not received by the Tax Commission by the original due date of the return (generally April 15th), penalties will be assessed.

The prepayment must equal at least 90 percent of the tax due, or 100 percent of the amount of your previous year's Utah tax liability.

Underpayment of extension prepayment is subject to penalty (see below).

4. Schedules for partner/member information.

General partners'/members' information from Tax Commission records is printed on form TC-65 Schedule G and limited partners'/nonmanaging members' information on form TC-65 Schedule L. Please make any necessary corrections or additions to this information.

5. Penalties.

The penalty for failure to file a tax due return by the due date is the greater of \$20 or 10 percent of the unpaid tax. In addition, if a tax balance remains unpaid 90 days after the due date, a second penalty, the greater of \$20 or 10 percent of the tax balance, will be added for failure to pay timely.

The penalty for failure to pay tax due as reported on a timely filed return, or within 30 days of a notice of deficiency, is the greater of \$20 or 10 percent of the tax due.

The penalty for underpayment of an extension prepayment is 2 percent per month of the unpaid tax during the extension period.

The penalty for failure to file an information return or a complete supporting schedule is \$50 for each return or schedule to a maximum of \$1,000.

For a list of additional penalties that may be imposed, please refer to Utah Code Ann. Section 59-1-401.

6. Interest.

Interest will be assessed at the rate prescribed by law from the original due date until paid in full. For information, taxpayers may request form TC-15, Applicable Interest Rates, by calling or writing the Utah State Tax Commission, 210 N 1950 W, SLC, UT 84134, telephone number (801) 297-6700.

The interest rate for all taxes and fees administered by the Tax Commission for the 1999 calendar year is 7percent.

7. Signature.

In the case of a partnership/LLP, the return must be signed by any one of the general partners. In the case of an LLC, the return must be signed by any one of the members or, if the LLC has vested management in a manager or managers, the return must be signed by one of these managers. If receivers, trustees in bankruptcy, or assignees are operating the property or business of the partnership/LLP/LLC, then the receiver, trustee, or assignee must sign the return.

8. Partnership/LLP/LLC not subject to tax.

A partnership/LLP/LLC is not subject to Utah income tax. People conducting business as partners/members are liable for Utah income tax in their separate or individual capacities. However, see Instruction 14.

9. Federal taxable income.

Utah law defines federal taxable income as "taxable income as currently defined in Section 63, Internal Revenue Code, 1986." Since the Utah state taxable income is based on the federal taxable income, a partner's ability to carryforward and carryback partnership losses is determined on a federal level. The loss taken by a partner in a given year must match the loss taken on the federal return. Losses cannot be independently carriedback and carriedforward in any given year on the partner's state return.

10. Character of partnership/LLP/LLC items.

(a) Each item of partnership/LLP/LLC income, gain, loss, or deduction has the same character for a partner/member as it has for federal income tax purposes. When an item is not characterized for federal income tax purposes, it has the same character for a partner/member as if realized directly from the source realized by the partnership/LLP/LLC, or incurred in the same manner as incurred by the partnership/LLP/LLC.

(b) Where a partner's/member's distributive share of an item of partnership/LLP/LLC income, gain, loss, or deduction is determined for federal income tax purposes by a special provision in the partnership/LLP/LLC agreement with respect to such item, and where the principal purpose of such provision is the avoidance or evasion of tax, the partner's/member's distributive share of such item and any modification with respect thereto shall be determined as if the partnership/LLP/LLC agreement made no special provision with respect to that item.

(c) In determining state taxable income of a resident partner/member, any modification (such as U.S. government bond interest) that relates to an item of the partnership/LLP/LLC income, gain, loss, or deduction shall be made in accordance with the partner's/member's distributive share, for federal income tax purposes, of the items to which the modification relates. Where a partner's/member's share of any such item is not required to be taken into account separately for federal income tax purposes, the partner's/member's distributive share of such item shall be determined in accordance with his distributive share, for federal income tax purposes, of partnership/LLP/LLC income or loss generally.

11. Nonresident or part-year resident share of partnership/LLP/LLC items.

(a) In determining the adjusted gross income of a nonresident partner/member of any partnership/LLP/LLC, there shall be included only that part derived from or connected with sources in this state of the partner's/member's distributive share of items of partnership/LLP/LLC income, gain, loss, or deduction entering into the partner's/member's federal adjusted gross income. (The Utah portion may be shown alongside the total for each item amount as an attachment to the return.)

(b) In determining the sources of a nonresident partner's/member's income, no consideration will be given to a provision in the partnership/LLP/LLC that:

(1) characterizes payments to the partner/member as being for services or for the use of capital, or allocates to the partner/member, as income or gain from sources outside this state, a greater portion of his distributive share of partnership/LLP/LLC income or gain than the ratio of partnership/LLP/LLC income or gain from sources outside this state to partnership/LLP/LLC income or gain from all sources, except as provided for in 11(d);

(2) allocates to the partner/member a greater portion of a partnership/LLP/LLC item, loss or deduction connected with sources in this state than his proportionate share, for federal income tax purposes, of partnership loss or deduction generally, except as provided in 11(d).

(c) Any modification (such as for U.S. government bond interest) that relates to an item of partnership/LLP/LLC income, gain, loss, or deduction, shall be made in accordance with the partner's/member's distributive share for federal income tax purposes of the item to which the modification related, but limited to the portion of such item derived from or connected with sources in this state.

(d) The Utah State Tax Commission may, on application, authorize the use of other methods of determining a nonresident partner's/member's portion of a partnership/LLP/LLC item derived from or connected with sources in this state, and the modification related thereto, as may be appropriate and equitable, on such terms and conditions as it may require.

(e) A nonresident partner's/member's distributive share of items of income, gain, loss or deduction shall be determined as provided in instruction 10(c) above. The character of partnership/LLP/LLC items for a nonresident partner/member shall also be determined as provided in instruction 10(a) above. The effect of a special provision in a partnership/LLP/LLC agreement, other than a provision referred to in 11(b) above, having as a principal purpose the avoidance or evasion of tax, shall be determined as provided in instruction 10(b) above.

12. Mineral producers or payers.

If the partnership/LLP/LLC is a producer or other person paying proceeds in connection with mineral properties located within Utah, the partnership/LLP/LLC must report to each partner/member the partner's/member's share of mineral production withholding tax withheld and remitted to the Utah State Tax Commission. Parts "B" and "C" of form TC-675R are to be furnished by the producer to the recipients, who will in turn attach copy "B" to the Utah individual income tax return, fiduciary tax return or corporation tax return, and the recipient will take credit against the tax for the amount withheld. Copy "C" will be retained by the recipient for his personal records, and for verification of the amounts of tax withheld by the producer.

If the partnership/LLP/LLC is the recipient of proceeds in connection with mineral properties located within Utah, the partnership/LLP/LLC should attach copy "B" of form TC-675R to the partnership/LLP/LLC return. The amounts withheld are allocated to each partner/member in proportion to each partner's/member's share of income and should be shown on the federal Schedule K-1, form 1065.

13. Nonresident Partner's Income.

Complete Schedule A to determine the Utah income amount for non-resident partners. If the partnership does business both within and outside of Utah, the portion of the non-resident partnership income attributable to Utah is determined by completing Schedule B and then Schedule A.

14. Modifications.

If modifications (described in instructions 10(c) and 11(c) above) are needed to determine the state taxable income of a partner/member.

15. Partnerships/LLPs/LLCs may file a composite income tax return (lines 7 through 12 of form TC-65) on behalf of individual nonresident partners/members that meet the following conditions:

(a) Only individual nonresident partners/members with no other income from Utah sources may be included on the return. Nonresident members listed on the return may not file a Utah individual income tax return. Resident partners/members may not be included on lines 7 through 12 of the return.

(b) Schedule N must be included with the return. The schedule shall list the information indicated for all individual nonresident partners/members included in the composite filing.

(c) If individual nonresident partners/members have other sources of Utah income or are entitled to credits, such as credits for mineral production taxes withheld, agricultural off-highway gas credits, or other Utah credits, those partners/members must file an individual TC-40. They cannot be included in the composite filing. Refunds will not be issued or allowed on composite returns filed.

16. The tax shall be computed using the maximum tax rate applied to Utah taxable income attributable to Utah sources after allowing the following:

(a) A deduction equal to 15 percent of the Utah taxable income attributable to nonresident partners/members included in the composite filing.

(b) No deductions shall be allowed for standard deductions or itemized deductions, personal exemptions, federal tax determined for the same period, or any other deductions except as specified in 15(a).

17. Additional Information.

Additional information concerning Utah income tax requirements as they affect partnerships/LLPs/LLCs and partnership/LLP/LLC returns are contained in the Utah Code and the rules of the Utah State Tax Commission.

18. Rounding Off To Whole Dollar Amounts.

All entries must be reported in whole dollar amounts.

If you need an accommodation under the Americans with Disabilities Act, contact the Tax Commission at (801)297-3811 or Telecommunication Device for the Deaf (TDD) (801) 297-3819. Please allow three working days for a response.