



Utah Partnership/Limited Liability Partnership/ Limited Liability Company Return of Income	2004 TC-65 Rev. 12/04
For the year ending Dec. 31, 2004, or fiscal taxable year beginning _____ and ending _____.	

PARTNERSHIP

• **FOR AMENDED RETURN - ENTER CODE (1 - 4) from page 4**

Check box(es) if this is a new address: <input type="checkbox"/> Physical address <input type="checkbox"/> Mailing address	Partnership/Limited Liability Partnership/Limited Liability Company Name			Employer Identification Number	
	Address			Telephone Number	
	City	State	Zip code		

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

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 registered in Utah (MM/DD/YY)	•	2	
3. If dissolved, date of dissolution (MM/DD/YY)	•	3	
4. Did the entity have income derived from Utah sources or maintain a bona fide office, store, factory or place of business in Utah?	•	4	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Amount of Utah income (Attach Schedules A and B, if applicable.)	•	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 17	•	7	<input type="checkbox"/> Yes <input type="checkbox"/> No
8. Utah income attributable to nonresident partners/members included in composite filing (Attach form TC-65, 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 (line 10 multiplied by line 11)	•	12	00
13. Amended returns only - prior refunds (include refunds received from previous returns)	•	13	00
14. Total (add lines 12 and 13)	•	14	00
15. Taxes prepaid (this includes extension prepayments and voluntary prepayments - if this is an amended return, include payments made with previous returns)	•	15	00
16. Net tax due (if the amount on line 14 is greater than the amount on line 15, subtract line 15 from line 14)	•	16	00
17. Refund (if the amount on line 15 is greater than the amount on line 14, subtract line 14 from line 15)	•	17	00

Official Use Only

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	<input type="checkbox"/> Check here if the Tax Commission may discuss this return with the preparer shown below (see page 3)
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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		Employer identification number
	Paid preparer's complete address	City	State	ZIP Code

TC-65 Schedule A - Computation of Utah Income

TC-65A
Rev. 12/04

Partnership name	Taxable year ending	Employer Identification Number	
1. Ordinary business income (loss) from line 1 of federal form 1065, Schedule K	1.	00	
2. Net rental real estate income (loss) from line 2 of federal form 1065, Schedule K	2.	00	
3. Other net rental income (loss) from line 3c of federal form 1065, Schedule K	3.	00	
4. Guaranteed payments from line 4 of federal form 1065, Schedule K	4.	00	
5. Interest income from line 5 of federal form 1065, Schedule K	5.	00	
6. Ordinary dividends from line 6a of federal form 1065, Schedule K	6.	00	
7. Royalties from line 7 of federal form 1065, Schedule K	7.	00	
8. Net short-term capital gain (loss) from line 8 of federal form 1065, Schedule K	8.	00	
9. Net long-term capital gain (loss) from line 9a of federal form 1065, Schedule K	9.	00	
10. Net section 1231 gain (loss) from line 10 of federal form 1065, Schedule K	10.	00	
11. Other income (loss) from line 11 of federal form 1065, Schedule K	11.	00	
12. TOTAL income (add lines 1 through 11)	12.		00
13. Section 179 deduction from line 12 of federal form 1065, Schedule K	13.	00	
14. Deductions related to portfolio income from line 13b of federal form 1065, Schedule K	14.	00	
15. Investment interest expense from line 13c of federal form 1065, Schedule K	15.	00	
16. Section 59(e)(2) expenditures from line 13d(2) of federal form 1065, Schedule K	16.	00	
17. Other deductions from line 13e of federal form 1065, Schedule K	17.	00	
18. Foreign taxes from line 16l(2) of federal form 1065, Schedule K	18.	00	
19. TOTAL deductions (add lines 13 through 18)	19.		00
20. NET partnership income (subtract line 19 from line 12)	20.		00
21. Interest from U. S. Government obligations included on line 5 above	21.		00
22. NET income subject to apportionment (subtract line 21 from line 20)	22.		00
23. Apportionment fraction to six decimals (100% or from TC-65, Schedule B, line 7)	23.		
24. UTAH income amount (multiply line 22 by line 23). Enter here and on line 5 of TC-65.	24.		00

TC-65 Schedule B - Apportionment Schedule

TC-65B
Rev. 12/04

Partnership name	Taxable year ending	Employer Identification Number
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Describe briefly the nature and locations(s) of your Utah business activities

	Inside Utah Column A		Inside and outside Utah Column B	
1. Tangible Property				
a. Land	1a	00		00
b. Depreciable assets	1b	00		00
c. Inventory and supplies	1c	00		00
d. Rented property	1d	00		00
e. Other tangible property	1e	00		00
2. Total tangible property (add lines 1(a) through 1(e))	2	00		00
a. Fraction (divide line 2, column A by line 2, column B)			2a	
3. Wages, salaries, commissions and other compensation	3	00		00
a. Fraction (divide line 3, column A by line 3, column B)			3a	
4. Gross receipts from business				
a. Sales (gross receipts less returns and allowances)			4a	00
b. Sales delivered or shipped to Utah purchasers from outside Utah	4b	00		
c. Sales delivered or shipped to Utah purchasers from within Utah	4c	00		
d. Sales shipped from Utah to the United States Government	4d	00		
e. Sales shipped from Utah to the purchasers in a state(s) where the taxpayer has no nexus. (The partnership/LLP/LLC is not taxable in the state of purchaser)	4e	00		
f. Rent and royalty income	4f	00		00
g. Service income (attach schedule)	4g	00		00
5. Total sales and services (add lines 4a through 4g)	5	00		00
a. Fraction (divide line 5, column A by line 5, column B)			5a	
6. Total of lines 2a, 3a and 5a			6	
7. Calculate the Apportionment Fraction to six decimals: (divide line 6 by 3 or the number of factors present) Enter on Schedule A, line 23.			7	

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

TC-65G
Rev. 12/04

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

<p>SSN/EIN: _____</p> <p>Name: _____</p> <p>Address: _____</p> <p>City: _____</p> <p>State: _____ ZIP Code: _____</p> <p>Telephone: _____</p> <p>Date Affiliated: _____ Date Withdrawn: _____</p>	<p><input type="checkbox"/> Individual</p> <p><input type="checkbox"/> Corporation</p> <p><input type="checkbox"/> Partnership</p> <p><input type="checkbox"/> Limited Liability Partnership</p> <p><input type="checkbox"/> Limited Liability Company</p>
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<p>SSN/EIN: _____</p> <p>Name: _____</p> <p>Address: _____</p> <p>City: _____</p> <p>State: _____ ZIP Code: _____</p> <p>Telephone: _____</p> <p>Date Affiliated: _____ Date Withdrawn: _____</p>	<p><input type="checkbox"/> Individual</p> <p><input type="checkbox"/> Corporation</p> <p><input type="checkbox"/> Partnership</p> <p><input type="checkbox"/> Limited Liability Partnership</p> <p><input type="checkbox"/> Limited Liability Company</p>
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<p>SSN/EIN: _____</p> <p>Name: _____</p> <p>Address: _____</p> <p>City: _____</p> <p>State: _____ ZIP Code: _____</p> <p>Telephone: _____</p> <p>Date Affiliated: _____ Date Withdrawn: _____</p>	<p><input type="checkbox"/> Individual</p> <p><input type="checkbox"/> Corporation</p> <p><input type="checkbox"/> Partnership</p> <p><input type="checkbox"/> Limited Liability Partnership</p> <p><input type="checkbox"/> Limited Liability Company</p>
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<p>SSN/EIN: _____</p> <p>Name: _____</p> <p>Address: _____</p> <p>City: _____</p> <p>State: _____ ZIP Code: _____</p> <p>Telephone: _____</p> <p>Date Affiliated: _____ Date Withdrawn: _____</p>	<p><input type="checkbox"/> Individual</p> <p><input type="checkbox"/> Corporation</p> <p><input type="checkbox"/> Partnership</p> <p><input type="checkbox"/> Limited Liability Partnership</p> <p><input type="checkbox"/> Limited Liability Company</p>
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Utah Partnership/Limited Liability Partnership/Limited Liability Company Return of Income
TC-65 Schedule L

TC-65L
Rev. 12/04

Partnership/Limited Liability Partnership/Limited Liability Company Name

Taxable Year Ending

Employer Identification Number

Limited Partners/Nonmanaging Members

Taxpayer ID (EIN or SSN)	Name (last, first)	Address	Partner's/ Member's Percent of Utah Income

Duplicate this form if additional sheets are necessary

General Instructions for TC-65

WHAT'S NEW?

Interest Rate – The Utah interest rate for the 2005 calendar year is **4 percent**. See page 1.

Farm Operation Hand Tools Credit – A refundable credit is available for sales tax paid on hand tools purchased and used in a farm operation in Utah. See TC-40 instructions, page 15.

Paid Preparer Authorization – The partnership/LP/LLP/LLC may now designate the paid preparer to discuss the return with the Tax Commission. See page 3.

Who Must File

Every partnership, limited partnership (LP), limited liability partnership (LLP), or limited liability company (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.

Where To File

Send your partnership return, along with any payment due to:

Utah State Tax Commission
210 N 1950 W
SLC, UT 84134-0270

When To File

A return must be filed 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 due date becomes the next business day.

Extension of Time to File

There is NO extension of time to pay any tax - only an extension of time to file the tax return.

Taxpayers are automatically allowed an extension of up to six months to file a return without filing an extension form. However, if the prepayment requirements (see next paragraph) are not met on or before the original due date, penalties will be assessed. The extension return must be filed within the six-month extension period.

Prepayment Requirements for Filing Extension

The required prepayment must equal:

- Ninety percent (90%) of the tax due in the current year, or
- One hundred percent (100%) of the previous year's Utah tax liability.

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

Penalties

Utah law provides for uniform tax penalties for failure to file tax returns, failure to pay tax due, and failure to file information returns or supporting schedules.

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. If a tax balance is still unpaid 90 days after the due date, a second penalty of \$20 or 10 percent of the unpaid tax, whichever is greater, 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 \$20 or 10 percent of the unpaid tax, whichever is greater.

The penalty for **underpayment of the extension prepayment** is 2 percent per month of the unpaid tax during the extension period. If the return is not filed by the extension due date, failure to file and failure to pay penalties will apply as if the extension had not been granted.

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

For a list of additional penalties that may be imposed, refer to Utah Code Ann. Section 59-1-401 and Pub 58.

Interest

Interest will be assessed at the rate prescribed by law from the original due date until any outstanding liability is paid in full. The interest rate for most taxes and fees administered by the Tax Commission for the 2005 calendar year is **4 percent**. Pub 58, which contains applicable interest rates, is available on the Internet at tax.utah.gov or by calling or writing the Tax Commission.

The Tax Commission will bill the taxpayer if any penalty or interest is owed.

Partnership Changes

Partnership changes (e.g. name change, physical and/or mailing address changes or ceasing to do business in Utah) must be reported to:

Master File Maintenance
Utah State Tax Commission
210 N 1950 W
SLC, UT 84134-3310

Amended Returns

To amend a return, use the tax form and instructions for the year you are amending.

An amended return should be filed promptly if:

1. An error is discovered on your state or federal return after it has been filed; or
2. Your federal return is audited or adjusted by the IRS and the audit or adjustment affects your state return. You must report such changes or corrected net income within 90 days of the IRS's final determination.

Generally, an amended return must be filed within three years following the date the original return was due to qualify for a refund or a credit. A return filed before the due date is considered filed on the due date. If an amended return must be filed based on changes made by the IRS, a claim for refund or credit must be made within two years after a Utah amended return was required to be filed.

How to Amend a 2004 Utah Partnership Return

- A. Enter a number in the box titled "For Amended Returns - Enter code (1-4)" at the top of page one of the form that best corresponds to your "**Reason For Amending**." See codes below:

REASONS FOR AMENDING (enter number on return):

1. You filed an amended return with the IRS (attach a copy of your amended federal return).
 2. You made an error on your state return (attach an explanation of the adjustment made).
 3. Federal audit adjustments, which resulted in changes in federal taxable income, were issued and became final (attach a copy of the IRS adjustment).
 4. Other (attach explanation to return).
- B. Complete the return by entering the corrected figures.
- C. Enter other amounts shown on your original return. If you received a refund on your original return, enter the amount of the refund on line 13 of the 2004 amended return. If you paid with the original return or made subsequent payments of the tax prior to filing the amended return, include the total previous payments on line 15 of the 2004 amended return.

Partnership/LP/LLP/LLC Not Subject to Tax

A partnership/LP/LLP/LLC is not subject to Utah income tax. Partners/members conducting business are liable for Utah income tax in their separate or individual capacities. However, a partnership/LP/LLP/LLC may file a composite income tax return and pay tax on behalf of individual nonresident partners/members that meet certain conditions. See "Composite Filing" on page 3.

Federal Taxable Income

Utah law defines federal taxable income as "taxable income as currently defined in Section 63, Internal Revenue Code, 1986." Since Utah's taxable income is based on the federal taxable income, a partner's ability to carry forward and carry back 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 carried back and carried forward in any given year on the partner's state return.

Character of Partnership/LP/LLP/LLC Items

1. Each item of partnership/LP/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/LP/LLP/LLC, or incurred in the same manner as incurred by the partnership/LP/LLP/LLC.
2. Where a partner's/member's distributive share of an item of partnership/LP/LLP/LLC income, gain, loss or deduction is determined for federal income tax purposes by a special provision in the partnership/LP/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/LP/LLP/LLC agreement made no special provision with respect to that item.

3. 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/LP/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/LP/LLP/LLC income or loss generally.

Nonresident or Part-year Resident Share of Partnership/LP/LLP/LLC Items

1. In determining the adjusted gross income of a nonresident partner/member of any partnership/LP/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/LP/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.)
2. In determining the sources of a nonresident partner's/member's income, no consideration will be given to a provision in the partnership/LP/LLP/LLC that:
 - a. 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/LP/LLP/LLC income or gain than the ratio of partnership/LP/LLP/LLC income or gain from sources outside this state to partnership/LP/LLP/LLC income or gain from all sources, except as provided for in "4" below;
 - b. Allocates to the partner/member a greater portion of a partnership/LP/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 "4" below;
3. Any modification (such as for U.S. government bond interest) that relates to an item of partnership/LP/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;
4. 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/LP/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; and

5. A nonresident partner's/member's distributive share of items of income, gain, loss or deduction shall be determined as provided in "Character of Partnership/LP/LLP/LLC items," paragraph "3". The character of partnership/LP/LLP/LLC items for a nonresident partner/member shall also be determined as provided in "Character of Partnership/LP/LLP/LLC Items," paragraph "1." The effect of a special provision in a partnership/LP/LLP/LLC agreement, other than a provision referred to in "2 above, having as a principal purpose the avoidance or evasion of tax, shall be determined as provided in "Character of Partnership/LP/LLP/LLC Items, paragraph "2."
2. 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.
3. If individual nonresident partners/members have other sources of Utah income or are entitled to credits, such as the mineral production withholding tax credit, agricultural off-highway fuel credit, or other Utah credits, they cannot be included in the composite filing. Those partners/members must file an income tax return to claim their credits.

Mineral Producers or Payers

If the partnership/LP/LLP/LLC is a producer or other person paying proceeds in connection with mineral properties located within Utah, the partnership/LP/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. The producer must furnish a copy of form TC-675R to the recipients. The recipient will take credit against the tax for the amount withheld and attach a copy to the Utah individual income tax return, fiduciary tax return or corporation tax return. The recipient must retain a copy for verification of the amounts of tax withheld by the producer.

If the partnership/LP/LLP/LLC is the recipient of proceeds in connection with mineral properties located within Utah, the partnership/LP/LLP/LLC should attach a copy of form TC-675R to the partnership/LP/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.

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.

Modifications

Modifications may be needed to determine the state taxable income of a partner/member. See "Character of Partnership/LP/LLP/LLC Items" and "Nonresident or Part-year Resident Share of Partnership/LP/LLP/LLC Items."

Composite Filing

Partnerships/LPs/LLPs/LLCs may file a composite income tax return (lines 7 through 17 of form TC-65) on behalf of individual nonresident partners/members that meet the following conditions:

1. 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 17 of the return.

2. 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.
3. If individual nonresident partners/members have other sources of Utah income or are entitled to credits, such as the mineral production withholding tax credit, agricultural off-highway fuel credit, or other Utah credits, they cannot be included in the composite filing. Those partners/members must file an income tax return to claim their credits.

Tax on a Composite Return

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

1. A deduction equal to 15 percent of the Utah taxable income attributable to nonresident partners/members included in the composite filing (form TC-65, line 9);
2. 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 "1"; and
3. Credits, other than prepayments, cannot be claimed on the TC-65. Partners/members must file their own income tax return to claim any credits. Nonresident partners/members who are eligible to claim credits may not be included on a composite return.

Schedules for Partner/Member Information

List all general partner/member information on form TC-65 Schedule G. List all limited partner/nonmanaging member information on form TC-65 Schedule L.

Additional copies of these schedules may be photocopied or printed from our web site at tax.utah.gov.

Signature

In the case of a partnership/LP/LLP, a general partner must sign the return. In the case of an LLC, a member must sign the return, or if the LLC has vested management in a manager or managers, a manager must sign the return. If receivers, trustees in bankruptcy, or assignees are operating the property or business of the partnership/LP/LLP/LLC, then the receiver, trustee, or assignee must sign the return.

Paid Preparer Authorization

If the partnership/LP/LLP/LLC wants to allow the Tax Commission to discuss their 2004 return with the paid preparer who signed it, check the box on the right side of the signature area of the return. This authorization applies only to the individual whose signature appears in the "Paid Preparer Section" of the return. It does not apply to the firm, if any, shown in that section.

If the box is checked, the partnership/LP/LLP/LLC is authorizing the Tax Commission to call the paid preparer to answer any questions that may arise during the processing of the return. The paid preparer is also authorized to:

- Give the Tax Commission any information that is missing from the return,

- Call the Tax Commission for information about the processing of the return or the status of any refund or payment(s), and
- Respond to certain Tax Commission notices about math errors, offsets, and return preparation.

The partnership/LP/LLP/LLC is not authorizing the preparer to receive any refund check, bind the entity to anything (including any additional tax liability), or otherwise represent the entity before the Tax Commission. If the entity wants to expand the preparer's authorization, a power of attorney must be completed and submitted to the Tax Commission.

The authorization cannot be revoked. However, the authorization will automatically end no later than the due date (without regard to extensions) for filing the entity's 2005 tax return.

Paid Preparer

The paid preparer must enter his or her name, address, and social security number or PTIN in the section below the general partner/member's signature on the return.

Preparer Penalties

The person who prepares, presents, procures, advises, aids, assists or counsels another on a return, affidavit, claim or similar document administered by the Tax Commission, and who knows or has reason to believe it may understate a tax, fee or charge is subject to both a civil penalty (\$500 per document) and criminal penalties (second degree felony with a fine between \$1,500 to \$25,000). See Utah Code Sections 59-1-401(9) and (10) for specific details.

Tax Due on Composite Return

If you owe tax on a composite return, the payment may be sent electronically or paid by check.

Payment Options

You may pay any tax due online with a credit card or an electronic check (ACH debit) from your checking account. You may pay in full or make partial payments throughout the year. Each online payment is subject to a service fee.

To pay online, access PaymentExpress (paymentexpress.utah.gov) and follow the step-by-step instructions.

You may also mail in your check or money order payable to the Utah State Tax Commission with your return. Be sure to write the partnership/LP/LLP/LLC employer identification number, daytime telephone number and "2004 TC-65" on your check. **DO NOT STAPLE** check to return. **DO NOT MAIL CASH**. The Tax Commission assumes no liability for loss of cash placed in mail.

Mail your return, and payment with a payment coupon (form TC-544) if applicable, to the Utah State Tax Commission, 210 N 1950 W, SLC, UT 84134-0270. If mailing your payment separate from your return, do **NOT** send another copy of your tax return with your payment. Doing so may delay posting of your payment.

Allow at least 90 days for your return to be processed.

Penalty and Interest, if applicable, will be billed. Penalty and interest charges are explained in the "Penalties" and "Interest" instructions on page 1.

Payment Agreement Request

If you owe tax and are unable to pay all or a portion of the amount owed, you may request a payment agreement by completing form TC-804B, "Payment Agreement Request." The form can be obtained at tax.utah.gov. If approved, you will receive a letter confirming the acceptance of your request.

A payment agreement does not stop the accrual of penalty and interest. If you do not pay in full by the return due date, whether or not you request a payment agreement, any balance due will be subject to penalty and interest.

If you do not submit a payment agreement request form, a billing notice for the full amount due, including penalty and interest, will be mailed to you. Upon receiving this notice, you must pay the total amount due, or request a formal payment agreement by completing and mailing form TC-804B or calling (801) 297-7703 or 1-800-662-4335 ext. 7703.

Payments may be submitted prior to approval of the payment agreement request or billing notice, per the instructions above.

Additional Information

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

Rounding off to Whole Dollar Amounts

Round off cents to the nearest whole dollar. Round down if cents are under 50 cents; round up if cents are 50 cents and above. **Do not enter cents anywhere on the return.**

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) 297-2020. Please allow three working days for a response.

Instructions for TC-65, Schedule A

Use Schedule A to determine the Utah income amount for nonresident partners. If the partnership does business both within and outside of Utah, the portion of the nonresident partnership income attributable to Utah is determined by completing Schedule B prior to Schedule A.

Lines 1-11 and 13 –18

Enter income, losses and deductions that are directly passed through to the partners as shown on federal Schedule K. Lines 1 through 11 and 13 through 18 of this form reference the line from federal Schedule K where the pass-through income or deductions can be found.

Line 12 - Total Income

Add lines 1 through 11. Enter the total on line 12.

Line 19 - Total Deductions

Add lines 13 through 18. Enter the total on line 19.

Line 20 - Net Partnership Income

Subtract line 19 from line 12. Enter the amount on line 20.

Line 21 - Interest from U.S. Government Obligations

See Pub 33, U.S. Government Obligations. Enter the amount on line 21.

Line 22 - Net Income Subject to Apportionment

Subtract line 21 from line 20. Enter the amount on line 22.

Line 23 - Apportionment Fraction

Either 100% or the percentage calculated on Schedule B, line 7. Enter the amount on line 23.

Line 24 - Amount of Utah Income

Multiply line 22 by line 23. Enter the total on line 24. Use this total as the amount to enter on line 5 of the partnership form, TC-65.

Instructions for TC-65, Schedule B

Use Schedule B to calculate the portion of the nonresident partnership income attributable to Utah, if the partnership does business both within and outside of Utah.

Determine apportionment fraction by completing this schedule. The factors express a percent for tangible property in Utah, for wages and salaries in Utah, and for sales in Utah. Add these factors together and divide by the number of factors present (typically 3) to arrive at the Utah apportionment fraction calculated to six decimals. Apply this fraction to the net income (or loss) to arrive at the amount of income (or loss) apportioned to Utah. In cases where one or more of the factors are omitted due to peculiar aspects of the business operations, divide by the number of factors present.

Briefly describe the nature and location(s) of your Utah business activities in the space provided at the top of this schedule.

Lines 1a through 1e - Tangible Property

Show the average cost value during the taxable year of real and tangible personal property used in the business within the state (including leased property) in column A and overall (including Utah) in column B.

Property owned by the partnership/LP/LLP/LLC is valued at its original cost. Property rented by the partnership/LP/LLP/LLC is valued at eight times the net annual rental rate. Net annual rental rate is the annual rental rate paid by the partnership/LP/LLP/LLC less the annual rental rate received by the partnership/LP/LLP/LLC from subrentals.

The average value of property must be determined by averaging the cost values at the beginning and ending of the tax period. However, monthly values may be used or required if monthly averaging more clearly reflects the average value of the partnership/LP/LLP/LLC's property.

A supporting schedule should be attached whenever monthly averaging is used.

Line 2 - Total Tangible Property

Enter totals of lines 1a through 1e in the respective columns.

Line 2a - Property Fraction

Determine property fraction: line 2, column A divided by line 2, column B.

Line 3 - Wages, Salaries, Commissions, and Other Includable Compensation

Wages, salaries, commissions, and other includable compensation paid to employees for personal services must be included in the Utah factor to the extent that the services, for which the compensation was paid, were rendered in Utah.

Compensation is paid in the state if:

1. The individual's service is performed entirely within the state
2. The individual's service is performed both within and outside the state, but the service performed outside the state is incidental to the individual's service within the state; or

3. Some of the service is performed in the state and
 - a. the base of operation, or if there is no base of operation, the place from where the service is directed or controlled is within the state, or
 - b. the base of operation or the place where the service is directed or controlled is not in any state where some part of the service is performed, but the individual's residence is in this state.

Amounts reportable for employment security purposes may ordinarily be used to determine the wage factor.

Line 3a - Compensation Fraction

Line 3, column A divided by line 3, column B. Overall wages, including Utah, are listed in column B.

Lines 4a through 4g - Gross Receipts from Business

The sales factor is the percentage the sales or charges for services within the state for the taxable year bear to the overall sales for the taxable year. Gross receipts from the performance of services are in this state to the extent the services are performed in this state.

Sales of tangible personal property are in this state if the property is delivered or shipped to a purchaser within this state regardless of the F.O.B. point or other conditions of the sale, or if the property is shipped from an office, store, warehouse, factory, or other place of storage in this state and (1) the purchaser is the United States government, or (2) the partnership/LP/LLP/LLC is not taxable in the state of the purchaser.

Nexus: The jurisdictional link that must be present before a state may tax a partnership upon its activities within a state's borders.

Line 5 - Total Sales and Service

Enter totals of lines 4a through 4g in their respective columns.

Line 5a - Sales Fraction

Determine sales fraction: line 5, column A divided by line 5, column B. Overall sales, including Utah, are listed in column B.

Line 6 - Total Fraction

Enter total of lines 2a, 3a and 5a.

Line 7 - Apportionment Fraction

Calculate the apportionment fraction to six decimals: Line 6 divided by the number of factors used (typically 3 - property, wages, and sales). If one or more of the factors are not present (i.e., there is a zero represented on lines 2, 3 or 5 in column B), divide by the number of factors present. Enter the apportionment fraction here and on Schedule A, line 23.

Specialized Apportionment Rules

Specialized apportionment rules apply for:

- * Trucking Companies (R865-6F-19)
- * Railroads (R865-6F-29)
- * Publishing Companies (R865-6F-31)
- * Financial Institutions (R865-6F-32)
- * Telecommunication (R865-6F-33)