

North Dakota Office of State Tax Commissioner
Schedule K-1 (Form 60)

2016



Final Amended

Corporation's tax year: **Calendar year 2016** (Jan. 1 - Dec. 31, 2016)
 Fiscal year: Beginning _____, 2016
Ending _____, 20__

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

▶ See separate instructions

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 this an eligible nonresident shareholder who elected to be included in a composite filing? Yes No

H Shareholder's percentage of stock ownership for tax year
(from Federal Schedule K-1) : _____%

**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 Renaissance zone:
 - a Historic property preservation tax credit _____
 - b Renaissance fund organization tax credit _____
 - c Nonparticipating property owner tax credit _____
- 5 Seed capital investment tax credit _____
- 6 Agricultural commodity processing facility investment tax credit _____
- 7 Biodiesel/green diesel fuel blending tax credit _____
- 8 Biodiesel/green diesel fuel sales equipment tax credit _____
- 9 Geothermal tax credit _____

Part 3 continued . . .

- 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 Wages paid to mobilized employee credit _____
- 16 Angel fund investment tax credit _____
- 17 a Housing incentive fund (HIF) tax credit _____
b HIF contribution adjustment _____
- 18 Automation tax credit _____
- 19 Nonprofit private primary school tax credit _____
- 20 Nonprofit private high school tax credit _____
- 21 Nonprofit private college tax credit _____

**Part 4 Nonresident individual, estate, or trust
shareholder: North Dakota income (loss)**

- 22 Corporation's apportionment factor _____
- 23 Ordinary income (loss) _____
- 24 Net rental real estate income (loss) _____
- 25 Other net rental income (loss) _____
- 26 Interest income _____
- 27 Ordinary dividends _____
- 28 Royalties _____
- 29 Net short-term capital gain (loss) _____
- 30 Net long-term capital gain (loss) _____
- 31 Net section 1231 gain (loss) _____
- 32 Other income (loss) _____
- 33 Section 179 deduction _____
- 34 Other deductions _____
- 35 I.R.C. § 179 property disposition gain (loss) _____

**Part 5 All nonresident shareholders: North Dakota
income tax withheld or composite tax paid**

- 36 North Dakota distributive share of income (loss) _____
- 37 North Dakota income tax withheld _____
- 38 North Dakota composite income tax _____

2016

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

Purpose of form

North Dakota Schedule K-1 (Form 60) is a supplemental schedule provided by an S corporation to its shareholders. It provides information the shareholders may need to complete their North Dakota income tax returns.

Resident individual, estate, and trust. If you are a North Dakota resident individual, estate, or trust, your entire distributive share of income from the corporation is subject to North Dakota income tax. You received this schedule only to show your distributive share of the corporation's North Dakota statutory adjustments and tax credits (see Part 3).

Nonresident individual, estate, or trust. If you are a nonresident individual, estate, or trust, you are subject to North Dakota income tax on your distributive share of the corporation's income that is apportioned and allocated to North Dakota. You received this schedule to show your distributive share of North Dakota income, gains, losses, and deductions (see Part 4); North Dakota statutory adjustments and tax credits (see Part 3); and North Dakota income tax withheld or paid on your North Dakota distributive share of income (see Part 5).

General instructions

The instructions for Parts 3 through 5 of this schedule show where to report the information from Schedule K-1 (Form 60) on your North Dakota income tax return.

Tax year. References to a North Dakota form and line number contained in these instructions are references to the form in use for the 2016 calendar year. However, if you file your return on a calendar year basis, but the corporation files its return on a fiscal year basis, report the amounts on your return for the year in which the corporation's fiscal year ends. For example, if the corporation has a fiscal year ending in February 2017, report the amounts from the 2016 Schedule K-1 (Form 60) on your 2017 tax return. The corporation's tax year is shown at the top of the schedule.

Composite filing election. If you elected to include your North Dakota distributive share of income in a composite filing by the corporation, the information provided on the schedule is only for your information.

Retain the schedule for your tax records. The composite income tax paid by the corporation satisfies your North Dakota income tax filing and payment obligations with respect to your North Dakota distributive income from the corporation. If you later choose to revoke your composite filing election and file your own North Dakota income tax return, follow the instructions to Parts 3 through 5 to transfer the amounts from the schedule to your return.

Amended Schedule K-1 (Form 60). If you receive an amended North Dakota Schedule K-1 from the corporation, you generally must file an amended North Dakota income tax return to report the revised information. Attach a copy of the amended Schedule K-1 to your amended North Dakota income tax return. If you previously elected to be included in a composite filing, and you are not changing that election, no action is required and you should retain the amended Schedule K-1 for your tax records.

Specific instructions

Part 3 All shareholders—North Dakota adjustments and tax credits

The following lists show where to enter an amount from Part 3 of Schedule K-1 (Form 60) on the North Dakota income tax return. Use the list corresponding to your return. "Not applicable" in the right-hand column means that the item does not apply to your return.

Lines 1–21

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 17a	Sch. ND-1TC, line 18
Line 17b	See instructions to Form ND-1, line 4b
Line 18	Sch. ND-1TC, line 19
Line 19	Sch. ND-1TC, line 20
Line 20	Sch. ND-1TC, line 21
Line 21	Sch. ND-1TC, line 22

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 14-17a	Form 38, page 1, line 3
Line 17b	See instructions to Form 38, page 2, Part 1, line 2
Lines 18-21	Form 38, page 1, line 3

Part 4

Nonresident individual, estate, or trust shareholders only—North Dakota income (loss)

Line 22

This is for the North Dakota Office of State Tax Commissioner's information only.

Lines 23-35

If you are a nonresident individual, estate, or trust, lines 23 through 35 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 23-25	Line 6
Lines 26-27	Line 2
Line 28	Line 6
Lines 29-31	Line 4
Line 32	Line 8
Lines 33-34	Line 6
Line 35	Line 4

Form 38 filer (nonresident only):

Include the amount from this schedule: On Tax Computation Schedule, Part 2, Column B:

Lines 23-25	Line 5
Line 26	Line 1
Line 27	Line 2
Line 28	Line 5
Lines 29-30	Line 4
Line 31	Line 4 or 7
Line 32	Line 8
Lines 33-34	Line 5
Line 35	Line 4 or 7

Part 5 Nonresident shareholders only

Line 36

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.***

Line 37

This is the amount of North Dakota income tax withheld by the corporation from your North Dakota distributive share of income. Enter this amount on your return as follows:

- If an individual, enter on Form ND-1, line 26.
- If an estate or trust, enter on Form 38, page 1, line 8.
- If a partnership, enter on Form 58, page 1, line 4.
- If an S corporation, enter on Form 60, page 1, line 5.

Attach a copy of North Dakota Schedule K-1 (Form 60) to your return.

Line 38

If you elected to include your North Dakota distributive share of income (loss) in a composite filing, this is the amount of North Dakota composite income tax paid on your behalf by the corporation. For more information, see “Composite filing” on page 3 of these instructions.

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