

**PARTNER'S, SHAREHOLDER'S,  
OR BENEFICIARY'S  
SHARE OF IDAHO ADJUSTMENTS, CREDITS, ETC.**

**2009**

Final K-1  
 Amended K-1

For tax year beginning Mo Day Year ending Mo Day Year

**09**

Pass-through entity's EIN	Pass-through owner's SSN/EIN
Pass-through entity's name, address, city, state, and ZIP code	Pass-through owner's name, address, city, state, and ZIP code

- a. If the pass-through owner is an individual, estate, or trust, see instructions and enter amount of pass-through owner's distributive share of Idaho gross income \_\_\_\_\_
- b. Check this box  if the pass-through owner is a disregarded entity.
- c. Check this box  if the pass-through entity is paying the Idaho income tax on behalf of the pass-through owner.  
Enter the amount of tax paid \_\_\_\_\_

**A. Allocation and Apportionment.** See instructions.

1. Idaho apportionment factor from Idaho Form 42, Part I, line 21 .....	1	%
2. Pass-through owner's share of total income .....	2	

**Owner's share of:**

	Total Everywhere		Total Within Idaho	
3. Property: Beginning .....	3a		3b	
4. Property: Ending .....	4a		4b	
5. Annual rental expense .....	5a		5b	
6. Sales .....	6a		6b	
7. Payroll .....	7a		7b	

8. Allocated income. Attach schedule .....	8	
9. Expenses related to line 8. Attach schedule .....	9	
10. Nonbusiness income allocated to Idaho. Attach schedule .....	10	

**B. Pass-through Owner's Share of Idaho Adjustments.** See instructions.

1. State, municipal and local taxes measured by net income .....	1	
2. Interest and dividends not taxable under Internal Revenue Code (IRC) .....	2	
3. Interest from Idaho municipal securities included on line 2 .....	3	
4. Interest on U.S. Government obligations .....	4	

5. Interest and other expenses related to lines 2, 3, and 4.

- a. Idaho interest and dividends exempt under the IRC .....
- b. Non-Idaho interest and dividends exempt under the IRC .....
- c. U.S. obligations .....

5a		
5b		
5c		

6. Bonus depreciation deduction .....	6	
7. Idaho capital gain (loss) eligible for the Idaho capital gains deduction. Attach schedule .....	7	
8. Idaho technological equipment donation .....	8	
9. Other Idaho additions. Attach schedule .....	9	
10. Other Idaho subtractions. Attach schedule .....	10	



# Instructions for Idaho Form ID K-1

## GENERAL INSTRUCTIONS

Form ID K-1 is used to provide the partner, shareholder, or beneficiary of a pass-through entity (PTE) with information required to complete the pass-through owner's (PTO's) Idaho income tax return. This includes the PTO's share of Idaho adjustments, credits and credit recapture, allocation and apportionment amounts, and various other items.

Form ID K-1 must be filed by:

- A partnership or S corporation transacting business in Idaho
- An estate or trust required to file an Idaho income tax return

If the PTE is a qualified investment partnership under Idaho law, include a statement on Form ID K-1, Part E, Supplemental Information that a nonresident may not be taxable on certain investment income from a qualified investment partnership; however, non-investment income from an Idaho source remains subject to Idaho taxation. A qualified investment partnership is an entity classified as a partnership for federal income tax purposes that isn't a publicly traded partnership taxed as a corporation, with at least 90% of its gross income from investments whose income wouldn't be taxed by Idaho if received directly by a nonresident individual.

Form ID K-1 isn't a substitute for the federal Schedule K-1 since the information reported on the Form ID K-1 is specific to Idaho. A copy of each PTO's federal Schedule K-1 and Idaho Form ID K-1 must be attached to the PTE's Idaho tax return and provided to each PTO. PTOs aren't required to file this form with their Idaho income tax return, unless otherwise instructed, but should keep it for their records.

Idaho part-year resident and nonresident individuals, estates, and trusts may need to modify the amounts reported on the Form ID K-1 before entering them on their Idaho income tax return.

A PTO who is a resident of Idaho will be taxed by Idaho on all of his share of the income from the PTE even if the income is apportioned between Idaho and other states.

## SPECIFIC INSTRUCTIONS

### HEADING AND QUESTIONS

#### Tax Year

File the 2009 form for calendar year 2009 or a fiscal year that begins in 2009. If the PTE's tax year is a fiscal year, fill in the tax year space at the top of the form.

#### Final Return and Amended Return

If this is the last year the PTE is filing an Idaho income tax return or if the PTE is filing an amended Idaho return, check the applicable box at the top of the form.

#### Identification Numbers, Name and Address

Write the PTE's federal employer identification number (EIN), business name, and address in the spaces provided.

Write the PTO's social security number or EIN, name, and address in the spaces provided.

#### Question a. Idaho Gross Income

If the PTO is an individual, trust, or estate, enter the amount of the PTO's distributive share of the PTE's gross income. The PTO will use this information to determine if the PTO is required to file an Idaho income tax return.

#### Question b. Disregarded Entity Status

If the PTO is treated as a disregarded entity under the Internal Revenue Code (IRC), check this box.

#### Question c. Tax Paid on Behalf of PTO

If the PTE is paying the tax on behalf of the PTO, check this box. The PTO won't be required to file an Idaho individual income tax return for the taxable year in which an election is made. The election to have the PTE pay the tax for the PTO isn't available to corporations, partnerships, or electing small business trusts, or to any other person who isn't an individual.

Enter the amount of tax paid for the PTO on the line provided.

## PART A ALLOCATION AND APPORTIONMENT

If the PTE is a trust or estate, skip Part A.

PTOs who are individuals generally won't need the information in Part A, except that nonresident or part-year resident individuals may need the information on line 1 to compute their Idaho source income. See Form 43 for the instructions on how an individual will use this information.

#### Line 1 Idaho Apportionment Factor

Enter 100% on this line if the PTE is transacting all of its business within Idaho; if not, enter the Idaho apportionment factor from Form 42, Part I, line 21.

#### Line 2 Total Income

Enter the PTO's distributive share of total income reported on federal Form 1065, line 8, or federal Form 1120S, line 6. This amount will be used by the PTO to calculate the interest expense offset related to tax-exempt interest.

#### Lines 3 Through 7

Lines 3 through 7 should be completed only by a PTE that is a partnership or taxed as a partnership. All other PTEs skip lines 3 through 7 and go to line 8.

Enter the PTO's share of the partnership's total everywhere and Idaho property, payroll, and sales, net of intercompany eliminations, in the spaces provided. The rent expense on line 5 is the amount of rent expense net of intercompany rent expense before being capitalized by eight.

The PTO's share of the partnership's total everywhere and Idaho property, payroll, and sales is determined by attributing the partnership's property, payroll, and sales to the PTO in the same proportion as the PTO's distributive share of partnership income if reporting net income for the tax year or in the same proportion as the PTO's distributive share of partnership losses if reporting a net loss for the tax year.

#### Line 8 Allocated Income

Enter the PTO's distributive share of the amount reported on Form 65, line 27 or Form 41S, line 29. Attach a schedule or use Part E to identify the income.

#### Line 9 Nonbusiness Expense Offset

Enter the PTO's distributive share of the amount reported on Form 65, line 28 or Form 41S, line 30.

#### Line 10 Income and Expenses Allocated to Idaho

Enter the PTO's distributive share of nonbusiness income allocated to Idaho. This amount is net of the nonbusiness expense offset and reported on Form 65, line 37 or Form 41S, line 39. Attach a schedule or use Part E to identify the income and expenses.

## PART B IDAHO ADJUSTMENTS

### Line 1 State, Municipal and Local Taxes Measured by Net Income

Enter the PTO's distributive share of the amount reported on Form 65, line 19, Form 41S, line 21, or Form 66, Schedule B, line 3. Attach a schedule or use Part E to identify the amount and the governmental entity.

If the PTE is filing an Idaho Form 66, the PTE may be eligible to claim a credit for taxes paid on Form 66, Schedule C, line 2.

### Line 2 Interest and Dividends Not Taxable Under the IRC

Enter the PTO's distributive share of the amount reported on Form 65, line 18, Form 41S, line 20, or Form 66, Schedule B, line 2. Except for amortization, don't include expenses associated with the securities on this line. Report the expenses on line 5.

### Line 3 Interest from Idaho Municipal Securities

Enter the PTO's distributive share of the amount reported on Form 65, line 22, Form 41S, line 24, or Form 66, Schedule B, line 7. Except for amortization, don't include expenses associated with the securities on this line. Report the expenses on line 5.

### Line 4 Interest on U.S. Government Obligations

Enter the PTO's distributive share of the amount reported on Form 65, line 23, Form 41S, line 25, or included in the amount on Form 66, page 1, line 5. Except for amortization, don't include expenses associated with the securities on this line. Report the expenses on line 5.

### Line 5 Interest and Other Expenses Related to Lines 2, 3, and 4

On lines 5a through 5c, enter the PTO's distributive share of interest and other expenses related to the income reported on lines 2, 3, and 4.

### Line 6 Bonus Depreciation Deduction

For assets placed in service prior to 2008, enter the PTO's distributive share of bonus depreciation reported on Form 65, line 30, Form 41S, line 32, or Form 66, Schedule B, line 8.

### Line 7 Idaho Capital Gain (Loss) Eligible for the Idaho Capital Gains Deduction

For PTOs other than C corporations, enter the PTO's distributive share of gain or loss on the sale of Idaho qualified property. If the PTO is a C corporation, leave this line blank.

Attach a schedule or use Part E to identify the type of property sold, the date of sale, and the holding period of the property.

### Line 8 Idaho Technological Equipment Donation

If the PTO is a trust or an estate, skip line 8. Partnerships and S corporations enter the PTO's distributive share of technological equipment donation reported on Form 65, line 26 and Form 41S, line 28.

### Line 9 Other Idaho Additions

Enter the PTO's distributive share of any other Idaho additions not included on lines 1 through 8 above. Attach a schedule or use Part E to identify the additions.

### Line 10 Other Idaho Subtractions

Enter the PTO's distributive share of any other Idaho subtractions not included on lines 1 through 8 above. Attach a schedule or use Part E to identify the subtractions.

## PART C IDAHO CONTRIBUTIONS

### Line 1 Contributions to Idaho Educational Entities

Enter the PTO's distributive share of qualifying contributions to Idaho educational entities.

### Line 2 Contributions to Idaho Youth and Rehabilitation Facilities

Enter the PTO's distributive share of qualifying contributions to Idaho youth and rehabilitation facilities.

## PART D IDAHO CREDITS AND CREDIT RECAPTURE

For lines 1 through 17, enter the PTO's distributive share of Idaho credits and Idaho credit recapture.

For credits, this is the PTO's distributive share of the total of:

- The amount of credit earned by the PTE, and
- The amount of any pass-through credit flowing into the PTE for the taxable year

For recapture, this is the PTO's distributive share of the total of:

- The amount of credit recaptured by the PTE, and
- The amount of any pass-through credit recapture flowing into the PTE for the taxable year

## PART E SUPPLEMENTAL INFORMATION

List in Part E any supplemental information required or needed by the PTO to complete his Idaho return that isn't entered elsewhere on Form ID K-1. If there isn't enough space provided in Part E to report the information, attach additional schedules as needed.

### Recapture of Credits

If you are reporting recapture of credits, identify the year that the credit was originally earned for each amount recaptured or attach a copy of the applicable recapture form reporting this information.

### Credit for Taxes Paid Another State

Provide information necessary for the computation of the credit for taxes paid to another state. This information must be provided on a state-by-state basis. Include the PTO's share of the amount of tax paid to the other state by the PTE and the PTO's share of the income reported to the other state.