

## Pass-through Entities (PTE) Checklist

### A. Include all necessary forms

Place your forms in this order when you file your Idaho business income tax return:

1. Entity's return Form 41 S (S Corporation), or Form 65 (Partnership), or Form 66 (Estate/Trust).
2. Form 42, *Apportionment and Combined Reporting Adjustments*.
3. Form PTE-12, *Schedule for Pass-through Owners*.
4. Form(s) ID K-1, *Partner's Shareholder's, or Beneficiary's, Share of Idaho Adjustments, Credits, etc.*
5. Any additional Idaho business income tax forms or schedules. First, place any alphabetically-named ones in order by form/schedule name. Then, place any numerically-named ones in order by form/schedule name.
6. The entity's complete federal income tax return, including all Form(s) ID K-1.

### B. Check your math

If filing **Form 41S** (S Corporation):

- The sum of lines 40 through 42 must match the sum of lines 38 through 39.
- Line 40 must match the column (b) total on Form PTE-12.
- Line 41 must match the column (e) total on Form PTE-12.
- Line 42 must match the column (c) total on Form PTE-12.

If filing **Form 65** (Partnership):

- The sum of lines 38 through 40 must match the sum of lines 36 through 37.
- Line 38 must match the column (b) total on Form PTE-12.
- Line 39 must match the column (e) total on Form PTE-12.
- Line 40 must match the column (c) total on Form PTE-12.

If filing **Form 66** (Estate/Trust) and passing income to beneficiaries:

- Line 5 must match the sum of the total amounts from columns (b), (c), and (e) on Form PTE-12.
- Line 15 must match the column (e) total on Form PTE-12.
- Line 16 must match the column (f) total on Form PTE-12.
- See Idaho Code section 63-3026A(3)(a)(iv) for information about investment income to a nonresident beneficiary.

## C. Understand how to compute Idaho distributable income

Use this general formula to compute Idaho distributable income for each owner. Report the income on Form PTE-12.

+ *Start with* Federal Income/loss subject to Idaho apportionment factor  
(If filing IRS Form 1065, Schedule K, lines 1-12)  
(If filing IRS Form 1120S, Schedule K, lines 1-11)

+ *Plus* Idaho additions

– *Minus* Idaho subtractions

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= *Equals* net business income subject to apportionment

X *Multiply* by Idaho apportionment factor

+ *Plus* income or (loss) allocated to Idaho

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= *Equals* Idaho distributable income for the entity

X *Multiplied* by the owner's percentage of ownership

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= *Equals* the owner's share of Idaho distributable income

Enter the Idaho distributable income for each owner on the Form PTE-12 as applicable in column (b), (c), or (e).

Find more information about pass-through entities as [tax.idaho.gov/pte](https://tax.idaho.gov/pte)