

**Schedule K-1  
(Form 1065)**

**2007**

Department of the Treasury  
Internal Revenue Service

For calendar year 2007, or tax  
year beginning \_\_\_\_\_, 2007  
ending \_\_\_\_\_, 20\_\_

**Partner's Share of Income, Deductions,  
Credits, etc.**

▶ See back of form and separate instructions.

**Part III Partner's Share of Current Year Income,  
Deductions, Credits, and Other Items**

1	Ordinary business income (loss)	15	Credits
2	Net rental real estate income (loss)		
3	Other net rental income (loss)	16	Foreign transactions
4	Gauranteed payments		
5	Interest income		
6a	Ordinary dividends		
6b	Qualified dividends		
7	Royalties		
8	Net short-term capital gain (loss)		
9a	Net long-term capital gain (loss)	17	Alternative minimum tax (AMT) items
9b	Collectibles (28%) gain (loss)		

**Part I Information About the Partnership**

**A** Partnership's employer identification number

**B** Partnership's name, address, city, state, and ZIP code

**XYZ LIMITED LIABILITY CORPORATION (LLC)**  
1234 MAIN ST.  
YOUNGSTOWN, OH 44503

**C** IRS Center where partnership filed return

**D**  Check if this is a publicly traded partnership (PTP)

**E**  Tax shelter registration number, if any \_\_\_\_\_

**F**  Check if Form 8271 is attached

**Part II Information About the Partner**

**G** Partner's identifying number

**H** Partner's name, address, city, state, and ZIP code

**JANE DOE**  
123 ANY ST.  
REYNOLDSBURG, OH 43068

**I**  General partner or LLC member-manager  Limited partner or other LLC member

**J**  Domestic partner  Foreign partner

**K** What type of entity is this partner? \_\_\_\_\_

**L** Partner's share of profit, loss, and capital:

	Beginning	Ending
Profit	25%	25%
Loss	25%	25%
Capital	25%	25%

**Sample Schedule K-1 (Form 1065):**

Jane Doe (a Reynoldsburg resident) is a 25% limited partner in the XYZ LLC and Jane received \$20,000 in distributions from XYZ. The XYZ partnership is an investment partnership that purchases new and used restaurant equipment at public auctions and then resells that equipment (hopefully for a profit). The XYZ partnership is based in Youngstown, Ohio and the profit or loss that the partnership incurs is reported to Youngstown (a RITA member city).

XYZ has filed a partnership return with RITA and has paid the 2.75% Youngstown local tax due on the profits distributed to the XYZ partners. Consequently, Jane should report the \$20,000 in distributions she received in column 3 (RITA municipality of) of Schedule J on RITA Form 37. Jane will receive credit for the tax that the partnership paid on her behalf.

In the event the XYZ partnership was located in a non-RITA city (such as Cleveland) that has a local tax, then Jane should file an individual return with that city and attach a copy of that city's return to her RITA return in order to receive credit for taxes reported due to another city. Otherwise, Jane's partnership income will be considered taxable to her city of residence (Reynoldsburg).

**M** Partner's share of liabilities at year end:

Nonrecourse . . . . . \$ \_\_\_\_\_

Qualified nonrecourse financing . . . . . \$ \_\_\_\_\_

Recourse . . . . . \$ \_\_\_\_\_

**N** Partner's capital account analysis:

Beginning capital account . . . . .	\$	100,000
Capital contributed during the year . . . . .	\$	0
Current year increase (decrease) . . . . .	\$	0
Withdrawals and distributions . . . . .	\$	20,000
Ending capital account . . . . .	\$	80,000

Tax basis  GAAP  Section 704(b) book  
 Other (explain)

\* See attached statement for additional information

**For IRS Use Only**