

Schedule K-1

For the calendar year 2006 or fiscal year beginning [MM/DD/YYYY] and ending [MM/DD/YYYY].

CHECK ONE:
Original
Amended

| | |
|---------------------------------------|---|
| Partner's identifying number | Partnership's identifying number |
| Partner's name, address, and ZIP code | Partnership's name, address, and ZIP code |

| Partner's percentage of: | Before change or termination | End of year |
|----------------------------|------------------------------|-------------|
| Profit sharing..... | % | % |
| Loss sharing..... | % | % |
| Ownership of capital | % | % |

Type of partner (individual, trust, etc.): _____

NOTE: CORPORATE PARTNERS MUST USE FORM 165 SCHEDULE K-1(NR).

| | | | | | | | | | | |
|---|---|---|--|--|--|--|--|--|--|----|
| 1 | Adjustment of partnership income from federal to Arizona basis - from Form 165, page 1, line 6 | 1 | | | | | | | | 00 |
| 2 | Partner's percentage of profit or loss (expressed as a decimal)..... | 2 | | | | | | | | |
| 3 | Partner's distributive share of the adjustment of partnership income from federal to Arizona basis - multiply line 1 by line 2..... | 3 | | | | | | | | 00 |

PARTNER'S INSTRUCTIONS

The partnership is required to adjust its income from a federal to Arizona basis. Line 3 of the Form 165 Schedule K-1 is the partner's distributive share of that adjustment. Report the amount from line 3 on your Arizona tax return according to the instructions below.

Resident Individuals:

If line 3 is a positive number, enter the amount on Form 140, page 2, line B12.
If line 3 is a negative number, enter the amount on Form 140, page 2, line C29.

Part-Year Resident Individuals:

If line 3 is a positive number, enter that portion of line 3 that is allocable to partnership income taxable by Arizona on Form 140PY, page 2, line C23.
If line 3 is a negative number, enter that portion of line 3 that is allocable to partnership income taxable by Arizona on Form 140PY, page 2, line D35.

Resident Estates or Resident Trusts:

If line 3 is a positive number, enter the amount on Form 141AZ, page 2 Schedule B, line B3.
If line 3 is a negative number, enter the amount on Form 141AZ, page 2, Schedule B, line B8.