

For the calendar year 2023 or fiscal year beginning MM,DD,2023 and ending MM,DD,YYYY.

Name of Estate or Trust	Estate or Trust EIN (If this is a Grantor Trust, see instructions)
Beneficiary's Name	Fiduciary's Name
Beneficiary's EIN or SSN	Fiduciary's Address - number and street, or rural route
Beneficiary's Address - number and street, or rural route	Fiduciary's City, Town or Post Office      State      ZIP Code
Beneficiary's City, Town or Post Office      State      ZIP Code	Fiduciary's Phone Number – include area code
Contact's Daytime Phone Number – include area code	
Check one: <input type="checkbox"/> Beneficiary <input type="checkbox"/> Power of Attorney <input type="checkbox"/> Other _____	

**Part 1 Arizona Nonresident Beneficiary's Share of Federal Distributable Income From Arizona Sources**

1 Federal distributable net income from Arizona sources: Enter the amount from Form 141AZ, Schedule D, line D9, column (c).....	<b>1</b>		00
2 Beneficiary's share of the amount entered on line 1: Nonresident individual beneficiaries, also enter this amount on Form 140NR, page 1, line 21, "ARIZONA" column .....	<b>2</b>		00

**Part 2 Arizona Nonresident Beneficiary's Share of Fiduciary Adjustment Related to Arizona Source Income**

3 Net fiduciary adjustment to be allocated: Enter the amount from Form 141AZ, Schedule C, line C14 .....	<b>3</b>		00
4 Amount on line 3 related to Arizona source income allocated to all nonresident beneficiaries.....	<b>4</b>		00
5 Beneficiary's share of the amount entered on line 4 .....	<b>5</b>		00

- If you **did not elect to file a Small Business Income tax return and the amount on line 3 is a positive number**, include this amount on Arizona Form 140NR, page 1, line 32, *Other Additions to Income*.  
If you **elect to file a Small Business Income tax return**, enter the amount on Form 140NR-SBI, line 11.
- If you **did not elect to file a Small Business Income tax return and the amount on line 3 is a negative number**, include this amount on Arizona Form 140NR, page 2, line 45, *Other Subtractions from Income*.  
If you **elect to file a Small Business Income tax return**, enter the amount on Form 140NR-SBI, line 33.

Continued on page 2 →

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**Part 3 Net Long-Term Capital Gain Subtraction – Information Schedule**

**INSTRUCTIONS FOR THE FIDUCIARY:**

Arizona requires individual taxpayers to make certain adjustments to their federal adjusted gross income in order to compute their Arizona taxable income.

- **Lines 6 and 7:** If the beneficiary’s federal 1041 K-1 includes a **distributed share** of the entity’s net short-term capital gain or net long-term capital gain, complete line 6, columns (b) and (c); and line 7, columns (b) through (e).
- **Lines 8 and 9:** If this is the final return for the estate or trust and a capital loss carryover amount was distributed to the beneficiary, complete line 8, columns (b) and (c); and line 9, columns (b) through (e).
- **Lines 10 and 11:** If any of the amounts reported on line 7, columns (d) and (e) include a net long-term gain or (loss) from (1) **an investment in an Arizona Qualified Small Business**; or (2) the **exchange of one kind of legal tender for another kind of legal tender**, complete lines 10 and 11, columns (b) through (e). *In column (b), enter only the net capital gain or (loss) from all short-term and long-term investments in the Arizona qualified small business and the exchange of legal tender.*

(a) Item	(b) Amount reported on federal Schedule K-1	(c) Amount included in column (b) from Arizona sources	(d) Net <b>long-term</b> capital gain or (loss) included in column (c) from assets acquired <i>before</i> January 1, 2012	(e) Net <b>long-term</b> capital gain or (loss) included in column (c) from assets acquired <i>after</i> December 31, 2011
<b>6</b> Total net short-term capital gain or (loss) from Form 141AZ, page 1, line 15b distributed to the beneficiary..... <b>6</b>	00	00		
<b>7</b> Total net long-term capital gain or (loss) from Form 141AZ, page 1, line 15c distributed to beneficiary..... <b>7</b>	00	00	00	00
<b>8</b> Short-term capital loss carryover(s) distributed to the beneficiary upon termination of the estate or trust..... <b>8</b>	00	00		
<b>9</b> Long-term capital loss carryover(s) distributed to the beneficiary upon termination of the estate or trust..... <b>9</b>	00	00	00	00

(a) Item	(b) Net Capital Gain or (loss)	(c) Amount included in column (b) from Arizona sources	(d) Net <b>long-term</b> capital gain or (loss) included in column (c) from assets acquired <i>before</i> January 1, 2012	(e) Net <b>long-term</b> capital gain or (loss) included in column (c) from assets acquired <i>after</i> December 31, 2011
<b>10</b> Net capital gain or (loss) from investment in an Arizona qualified small business..... <b>10</b>	00	00	00	00
<b>11</b> Net capital gain or (loss) from the exchange of one kind of legal tender for another kind of legal tender..... <b>11</b>	00	00	00	00

**INSTRUCTIONS FOR AN INDIVIDUAL BENEFICIARY:**

The beneficiary **must** complete the *Worksheet for Net Long-Term Capital Gain Subtraction for Assets Acquired After December 31, 2011*, to determine the allowable subtraction. The worksheet is included in the instructions for the nonresident income tax return [Arizona Form 140(NR)].

**Nonresidents:** The amounts entered in column (e) on lines 7, 10, and 11 are used to compute the allowable subtraction on the net long-term capital gain worksheet. For more information, see the worksheet instructions for Form 140(NR).

- For an amount entered on line 10, column (b); see the instructions for line 39 on Form 140(NR).
- For an amount entered on line 11, column (b); see the instructions for lines 32 and 45 on Form 140(NR).

**INSTRUCTIONS FOR THE FIDUCIARY BENEFICIARY:** See page 3.

**INSTRUCTIONS FOR THE PARTNERSHIP, S CORPORATION, C CORPORATION, AND EXEMPT ORGANIZATION BENEFICIARY:** See page 3.

Name of Estate or Trust (as shown on page 1)	EIN (If this is a Grantor Trust, see instructions)
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**INSTRUCTIONS FOR THE FIDUCIARY BENEFICIARY:**

If the net long-term capital gain (loss) on Part 3, line 7, above, is taxed at the estate or trust level, use the information above to complete the *Worksheet for Net Long-Term Capital Gain Subtraction for Assets Acquired After December 31, 2011*, included in the instructions of Form 141AZ for the estate or trust.

If the net long-term capital gain (loss) on Part 3, line 7, above, is distributed to the beneficiary, use the information above to complete the *Worksheet for Net Long-Term Capital Gain Subtraction for Assets Acquired After December 31, 2011*, included in the instructions of Form 141AZ. The worksheet will assist the estate or trust in completing the *Net Long-Term Capital Gain Subtraction – Information Schedule* on Form 141AZ Schedule K-1 or Schedule K-1(NR) for each beneficiary.

The amounts entered in column (d) on lines 7, 10, and 11 are used to compute the allowable subtraction on the net long-term capital gain worksheet. For more information, see the worksheet instructions for Form 141AZ.

- For an amount entered on line 10, column (b); see the instructions for line 14a, Form 141AZ.
- For an amount entered on line 11, column (b); see the instructions for lines 12b and 14b, Form 141AZ.

**INSTRUCTIONS FOR THE PARTNERSHIP OR S CORPORATION BENEFICIARY:**

The information in Part 3, above, should be used to complete the *Worksheet for Net Long-Term Capital Gain Subtraction for Assets Acquired After December 31, 2011*, included in the instructions of Arizona Form 165 or Arizona Form 120S. The worksheet will assist the partnership or S Corporation in completing the *Net Long-Term Capital Gain Subtraction – Information Schedule* on Arizona Form 165, Schedule K-1 or Schedule K-1(NR) for each partner; or Arizona Form 120S Schedule, K-1 or Schedule K-1(NR) for each shareholder.

**INSTRUCTIONS FOR THE C CORPORATION OR EXEMPT ORGANIZATION BENEFICIARY:**

A subtraction is not allowed for a C Corporation or an exempt organization. The information in Part 3, above, is informational only, and not required to be reported by the C Corporation or exempt organization.

**Part 4 Individual Beneficiary’s Pro-Rata Share of the Distributed Virtual Currency and Non-Fungible Tokens**

**12** Fiduciary: Enter the value of virtual currency and non-fungible tokens received at the time of airdrop distributed to the beneficiary..... **12**

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Beneficiary: Include this amount on Form 140NR, page 6, item “N”, as an “*Other Subtraction from Arizona Gross Income*”.

**Part 5 Individual Beneficiary’s Pro-Rata Share of the Distributed Gas Fees or Non-Fungible Token Basis**

**13** Fiduciary: Enter the amount allowed as a subtraction for gas fees or non-fungible token basis distributed to the beneficiary..... **13**

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Beneficiary: Include this amount on Form 140NR, page 6, item “O”, as an “*Other Subtraction from Arizona Gross Income*”.

**Part 6 Individual Beneficiary’s Pro-Rata Share of the Distributed PTE Tax Credit from the Pass-through Entity**

**14** Enter the amount of Entity-Level Income Tax Credit distributed to the individual beneficiary..... **14**

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**15** Individual Beneficiary’s pro-rata share of the Arizona PTE Taxes **paid in 2023** for taxable years 2023 and/or 2022 ..... **15**

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**INSTRUCTIONS FOR THE FIDUCIARY:**

Line 14 - Enter the pro-rata amount of the Entity-Level Income Tax credit distributed to the estate or trust’s individual beneficiary.  
 Line 15 - Enter the amount of the individual beneficiary’s pro-rata share of the Arizona pass-through entity taxes **paid in 2023** for taxable years 2023 and/or 2022.

For example: If the pass-through entity K-1 provided to the trust showed a total tax addback of \$20,000 and the trust keeps 10% and distributes 45% to each beneficiary, then the amount added back on the trust return would be \$2,000 (\$20,000 x 10%) and the amount reported to each individual beneficiary on the 141 K-1(NR) would be \$9,000 (\$20,000 x 45%) to each individual beneficiary.

**INSTRUCTIONS FOR THE INDIVIDUAL BENEFICIARY:**

Line 14 - Enter the amount of your distributed share of the Entity-Level Income Tax Credit on Form 355, line 3.  
 Line 15 - Enter the amount of your pro-rata share of Arizona taxes paid in 2023 for taxable year 2023 (add-back) on Form 140NR, page 5, item “L” or Form 140NR-SBI, line 24.