

Arizona Form
165 Schedule K-1(NR)

**Arizona Nonresident and Out-of-State Partner's
Share of Income and Deductions**

2024

All corporate partners must use this schedule.

For the calendar year 2024 or fiscal year beginning MM,DD,2024 and ending MM,DD,20YY.

CHECK ONE: Original Amended

| | |
|--|--|
| Partner's Tax Identification Number | Partnership's Employer Identification Number (EIN) |
| Partner's Name | Partnership's Name |
| Partner's Address – number and street or rural route | Partnership's Address – number and street or rural route |
| Partner's City, Town or Post Office State ZIP Code | Partnership's City, Town or Post Office State ZIP Code |

Pass-Through Entity Election:

A. Did the partnership make the Pass-Through Entity (PTE) Election? Yes No

B. If the partnership made the PTE Election, did this partner consent to that election? Yes No

| Partner's Percentage of: | Beginning of Year | End of Year |
|---|--------------------------|--------------------|
| Profit sharing | % | % |
| Loss sharing | % | % |
| Ownership of capital | % | % |
| Type of partner (individual, trust, estate, IRA, corporate, or partnership) | | |

| Part 1: Distributive Share Items From federal Form 1065, Schedule K-1 | (a) Distributive Share Amount | (b) Arizona Apportionment Ratio | (c) Arizona Source Income | Form 140NR Filers: Enter the amount in column (c) on: |
|--|----------------------------------|------------------------------------|------------------------------|--|
| 1 Ordinary income (loss) from trade or business activities..... | | | | |
| 2 Net income (loss) from rental real estate activities... | | | | |
| 3 Net income (loss) from other rental activities | | | | |
| 4 Total: Add lines 1, 2, and 3 | | | | Line 21 |
| 5 Interest..... | | | | Line 16 |
| 6 Dividends..... | | | | Line 17 |
| 7 Royalties..... | | | | Line 21 |
| 8 Net short-term capital gain (loss)..... | | | | Line 20 |
| 9 Net long-term capital gain (loss)..... | | | | Line 20 |
| 10 Guaranteed payments to partner..... | | | | |
| 11 Net IRC Section 1231 gain (loss) | | | | Line 20 |
| 12 Other income (loss): include schedule | | | | Line 22 |
| 13 IRC Section 179 expense..... | | | | Line 21 |
| 14 Other deductions: include schedule | | | | |

| Part 2: Partner's Distributive Share of the Adjustment of Partnership Income From federal to Arizona Basis | (a) Distributive Share Amount | (b) Arizona Apportionment Ratio | (c) Arizona Source Income | Form 140NR Filers: Enter the amount in column (c) on: |
|---|----------------------------------|------------------------------------|------------------------------|--|
| 15 Adjustment of partnership income from federal to Arizona basis from Form 165, page 1, line 6..... | | | | Line 31 or 41 |

NOTE: Corporate partners see Form 120 or Form 120A instructions for information on reporting the amount from line 15.

| | |
|--|-----|
| Name of Partnership (as shown on page 1) | EIN |
|--|-----|

Part 3 Net Capital Gain (Loss) From Investment in a Qualified Small Business – Information Schedule

If the partner's federal Schedule K-1 (Form 1065) does not include any net capital gain (loss) from investment in a qualified small business as determined by the Arizona Commerce Authority, the partnership is not required to complete Part 3.

| Pro Rata Share Items | (a) Distributive Share Amount | (b) Arizona Apportionment Ratio | (c) Arizona Source Income |
|--|----------------------------------|---------------------------------------|---------------------------------|
| 16 Net capital gain (loss) from investment in a qualified small business..... 16 | | | |

Part 4 Gain or Loss on Sale of Virtual Currency and Non-Fungible Tokens – Information Schedule

To the extent not already excluded from Arizona gross revenue under the Internal Revenue Code, enter the value of virtual currency and non-fungible tokens received at the time of the airdrop.

| Pro Rata Share Items | (a) Distributive Share Amount | (b) Arizona Apportionment Ratio | (c) Arizona Source Income |
|--|----------------------------------|---------------------------------------|---------------------------------|
| 17 The value of Virtual Currency and Non-Fungible Tokens received at the time of the airdrop..... 17 | | | |

Part 5 Gain or Loss on Sale of Virtual Currency and NFT's - Gas Fees and Non-Fungible Tokens Basis – Information Schedule

The amount allowed as a subtraction for gas fees not already included in the partnership's virtual currency or non-fungible tokens basis

| Pro Rata Share Items | (a) Distributive Share Amount | (b) Arizona Apportionment Ratio | (c) Arizona Source Income |
|--|----------------------------------|---------------------------------------|---------------------------------|
| 18 Gas fees not included in virtual currency or non-fungible tokens basis. 18 | | | |

Part 6 Net Capital Gain (Loss) From the Exchange of Legal Tender – Information Schedule

If the partner's federal Schedule K-1 (Form 1065) does not include any net capital gain (loss) from the exchange of legal tender, the partnership is not required to complete Part 6.

| Pro Rata Share Items | (a) Distributive Share Amount | (b) Arizona Apportionment Ratio | (c) Arizona Source Income |
|--|----------------------------------|---------------------------------------|---------------------------------|
| 19 Net capital gain (loss) from the exchange of legal tender..... 19 | | | |

| | |
|--|-----|
| Name of Partnership (as shown on page 1) | EIN |
|--|-----|

Part 7 Net Long-Term Capital Gain (Loss) Subtraction – Information Schedule

If the partner’s federal Schedule K-1 (Form 1065) includes capital gain (loss), complete lines 20 through 22. If the partner’s federal Schedule K-1 (Form 1065) does not include any capital gain (loss), the partnership is not required to complete Part 7.

| Pro Rata Share Items From federal Form 1065, Schedule K-1 | (a) Distributive Share Amount Enter the total of the amounts on page 1, line 9, column (a), and line 11, column (a). | (b) Arizona Source Income Enter the total of the amounts on page 1, line 9, column (c), and line 11, column (c). | (c) Net <u>long-term</u> capital gain (loss) included in column (b) from assets acquired before January 1, 2012 | (d) Net <u>long-term</u> capital gain (loss) included in column (b) from assets acquired after December 31, 2011 |
|--|---|---|--|---|
| 20 Total net long-term capital gain (loss)..... 20 | | | | |

ADDITIONAL INFORMATION:

| | | | | |
|--|--|--|--|--|
| 21 Net long-term capital gain (loss) from investment in a qualified small business (amount already included in line 20, column (d)) 21 | | | | |
| 22 Net long-term capital gain (loss) from the exchange of legal tender (amount already included in line 20, column (d))..... 22 | | | | |

Part 8 Partner’s Share of the Partnership’s Pass-Through Entity Election

Complete Part 8 if the partner consented to the partnership’s election to be a Pass-Through Entity (PTE) for this year or for a prior year. (See Instructions.) Otherwise, leave blank.

| | Partner’s Pro Rata Share of PTE Election | Partner’s Distributive Share |
|-----------|--|------------------------------|
| 23 | Partner’s pro-rata share of the PTE Tax Credit. <ul style="list-style-type: none"> Individuals, enter this amount on Form 355, Part 1, line 1. Estates and trusts, see the instructions for Form 141AZ, line 19, to claim this credit..... 23 | |
| 24 | Partner’s pro-rata share of the Arizona PTE Taxes paid in 2024 for taxable years prior to 2024. Individuals that did not make the Small Business Income election , add this amount back on Form 140NR, page 5, line L. <ul style="list-style-type: none"> Individuals that made the Small Business Income election, add this amount back on Form 140NR-SBI, line 24. Estates and trusts, add this amount back on Form 141AZ, Schedule B, line B3..... 24 | |
| 25 | Partner’s pro-rata share of the Arizona PTE Taxes paid in 2024 for taxable year 2024. <ul style="list-style-type: none"> Individuals that did not make the Small Business Income election, add this amount back on Form 140NR, page 5, line L. Individuals that made the Small Business Income election, add this amount back on Form 140NR-SBI, line 24. Estates and trusts, add this amount back on Form 141AZ, Schedule B, line B3..... 25 | |
| 26 | Partner’s pro-rata share of comparable PTE Taxes from other states paid in 2024 for taxable years prior to 2024. <ul style="list-style-type: none"> Individuals that did not make the Small Business Income election, add this amount back on Form 140NR, page 5, line L. Individuals that made the Small Business Income election, add this amount back on Form 140NR-SBI, line 24. Estates and trusts, add this amount back on Form 141AZ, Schedule B, line B3..... 26 | |
| 27 | Partner’s pro-rata share of comparable PTE Taxes from other states paid in 2024 for taxable year 2024. <ul style="list-style-type: none"> Individuals that did not make the Small Business Income election, add this amount back on Form 140NR, page 5, line L. Individuals that made the Small Business Income election, add this amount back on Form 140NR-SBI, line 24. Estates and trusts, add this amount back on Form 141AZ, Schedule B, line B3..... 27 | |