

Do not staple or paper clip.



Department of Taxation

Rev. 01/19

20

Ohio IT K-1



10211411

Use only black ink and UPPERCASE letters.

Check here if this is an amended K-1.

For calendar year 20 or taxable year beginning and ending

Investor's / beneficiary's SSN / FEIN Entity FEIN Entity type

Investor's / beneficiary's name, address and ZIP code Pass-through entity's name, address and ZIP code

Table with 3 columns: Investor's percentage of, Beginning of year, End of year. Rows include Profit-sharing, Loss-sharing, and Ownership of capital.

- IT 1140 qualified investor
IT 4708 composite investor
Nonapplicable

Entity Apportionment Percentage

Ohio

Everywhere

Table for Entity Apportionment Percentage with rows for Property, Payroll, Sales, and Total apportionment percentage.

Depreciation Information

( check box if depreciation adjustment has been waived)

Table for Depreciation Information with rows for Total current year sections 168K bonus depreciation and 179 expense adjustment, and Prior years add-back.

Investor's / Beneficiary's Share of Ohio Taxable Income and Tax Credits

- 1. a. Ohio taxable income
b. Ohio apportioned guaranteed payments/compensation
c. Ohio apportioned depreciation adjustment
Total Ohio taxable income
2. Nonrefundable business credits
3. Ohio tax paid on behalf of this investor / beneficiary
4. Total indirect pass-through entity credit for Ohio pass-through entity taxes paid
5. Job creation credit and job retention credit
6. Ohio historic preservation credit
7. Losses on loans made to Ohio venture capital program
8. Motion picture production credit
9. Financial Institutions Tax (FIT) credit

Supplemental Information

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# Ohio IT K-1 Instructions

IT K-1  
Rev. 01/19

Use the Ohio IT K-1 to report **each** investor's or beneficiary's proportionate or distributive share of the partnership's, corporation's, estate's or trust's Ohio income and credits. Each entity with Ohio income should prepare a separate Ohio IT K-1 for each investor or qualifying beneficiary, whether resident, non-resident, or an entity investor to enclose with the investor's or beneficiary's return.

**Note:** The Ohio IT K-1 is available for any tax year and should be used by any pass-through entity, even when filing the IT 1140 or IT 4708 is not required, e.g. investment pass-through entities or pass-through entity with only resident investors.

## Percentage of Ownership

For each investor, indicate the proportionate or distributive share of profit, loss and capital as shown on federal Schedule K-1.

## Entity Apportionment Percentage

Provide the property, payroll and sales figures along with the entity's apportionment ratio. See Ohio Revised Code (R.C.) 5733.05(B) and 5747.21. These factors must include the proportionate share of each lower-tiered pass-through entity's property, payroll and sales.

The apportionment ratio should be indicated in decimal format carried to six (6) places.

## Depreciation Information

The investor's or beneficiary's proportionate or distributive share of the adjustment for Internal Revenue Code sections 168(k) and 179 depreciation expense for the current year should be indicated, designating the year of the add-back adjustment and the fraction used, i.e. 2/3, 5/6, 6/6.

The Ohio tax commissioner has waived the add-backs related to a pass-through entity for those investors or beneficiaries who own, directly or indirectly, less than 5% of the pass-through entity. Include the waived add-back amount in the supplemental information for investors filing a return.

**Note:** Even if this entity has waived the addback, an investor may still need to perform the addback on the Ohio return if the investor has at least a 5% interest in the entity claiming the depreciation expense.

Investor's / Beneficiary's Share of Ohio Taxable Income and Tax Credits

## Line 1 – Total Ohio Taxable Income (Loss)

This is the sum of a + b + c.

## Ohio taxable income:

The investor's proportionate or distributive share of apportioned Ohio taxable income (loss) or the beneficiary's proportionate or distributive share of the qualifying net income and qualifying net gain distributed as apportioned to Ohio. See R.C. 5733.40(A), 5747.08(D) and 5747.40 through 5747.43.

## Ohio apportioned guaranteed payments/compensation:

Apportioned guaranteed payments and compensation paid to an investor who holds at least a 20% direct or indirect interest in the profits or capital of the qualifying entity during the qualifying entity's taxable year shall be considered a distributive share of income of the qualifying entity. Such guaranteed payments and compensation shall be included on this form.

Reciprocity agreements do not apply to residents of neighboring states directly or indirectly owning at least 20% of the stock or other equity of the pass-through entity. That is, pass-through entities cannot use the reciprocity agreements in order to avoid adding back compensation that the pass-through entities pay to such nonresidents. See R.C. 5733.40(A)(7).

## Ohio apportioned depreciation adjustment

The apportioned current year depreciation add back minus the apportioned current year depreciation deduction (the current year depreciation deduction is 1/2, 1/5 or 1/6 of the depreciation expense added back in prior years).

## Line 2 – Nonrefundable Business Credits

The investor's or beneficiary's proportionate or distributive share of the credit(s) claimed on the Ohio IT 4708, line 11. Include a copy of the Ohio Schedule E business credit summary worksheet.

## Line 3 – Ohio Tax Paid on Behalf of This Investor / Beneficiary (Net of Overpayments)

The investor's or beneficiary's proportionate or distributive share of the tax paid and not otherwise refunded, from Ohio IT 1140, line 1 and/or Ohio IT 4708, line 10.

## Line 4 – Total Indirect Pass-Through Entity Credit for Ohio Pass-Through Entity Taxes Paid (Ohio IT 1140 filers only)

The investor's or beneficiary's proportionate or distributive share of Ohio pass-through entity taxes paid by an indirectly owned entity that flows through this entity.

## Lines 5-9 – Refundable Credits

The investor's or beneficiary's proportionate or distributive share of the refundable credits, if any.

## Supplemental Information

Use this section to substantiate any applicable inconsistencies or discrepancies on this form as compared to federal Schedule K-1.

## Frequently Asked Questions

Frequently asked questions regarding the Ohio IT K-1 can be found under the Pass-Through Entities category at: <http://www.tax.ohio.gov/faq.aspx>

## Federal Privacy Act Notice

Because we require you to provide us with a Social Security number, the *Federal Privacy Act of 1974* requires us to inform you that providing us with your Social Security number is mandatory. Ohio Revised Code 5703.05, 5703.057 and 5747.08 authorize us to request this information. We need your Social Security number in order to administer this tax.