



➤ **See instructions.**

<p>Partner's identifying number</p> <p>Partner's name, address, and ZIP Code</p>	<p>Partnership's FEIN</p> <p>Partnership's name, address, and ZIP Code</p> <p>Check if applicable: <input type="checkbox"/> Qualified investment pass-through entity <input type="checkbox"/> Partnership formed after January 1, 2006</p>												
<p>A Partner's share of liabilities:</p> <p>Nonrecourse \$ _____</p> <p>Qualified nonrecourse financing \$ _____</p> <p>Other \$ _____</p> <p>B What type of entity is this partner?</p> <p><input type="checkbox"/> Individual <input type="checkbox"/> Estate <input type="checkbox"/> Corporation <input type="checkbox"/> S Corporation</p> <p><input type="checkbox"/> General Partnership <input type="checkbox"/> Trust <input type="checkbox"/> Other Pass-through Entity <input type="checkbox"/> Tax Exempt</p> <p>C Partner's taxable percentage of partnership's distributive share items below (see instructions)</p> <p>(1) Resident partner 100%</p> <p>(2) Nonresident partner (see Schedule A, Part I, line 12) ➤ _____ %</p> <p>D Check box if nonresident partner's income is reported on:</p> <p><input type="checkbox"/> Kentucky Nonresident Income Tax Withholding on Distributive Share Income Report and Composite Income Tax Return (Form 740NP-WH and Form PTE-WH)</p>	<p>E Enter partner's percentage of:</p> <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:70%;"></th> <th style="width:15%; text-align: center;">(i) Before change or termination</th> <th style="width:15%; text-align: center;">(ii) End of year</th> </tr> </thead> <tbody> <tr> <td>Profit sharing</td> <td style="text-align: center;">%</td> <td style="text-align: center;">%</td> </tr> <tr> <td>Loss sharing.....</td> <td style="text-align: center;">%</td> <td style="text-align: center;">%</td> </tr> <tr> <td>Ownership of capital.....</td> <td style="text-align: center;">%</td> <td style="text-align: center;">%</td> </tr> </tbody> </table> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <input type="checkbox"/> Final K-1 <input type="checkbox"/> Amended K-1 </div>		(i) Before change or termination	(ii) End of year	Profit sharing	%	%	Loss sharing.....	%	%	Ownership of capital.....	%	%
	(i) Before change or termination	(ii) End of year											
Profit sharing	%	%											
Loss sharing.....	%	%											
Ownership of capital.....	%	%											

SECTION A

Pro Rata Share Items

Total Amount

Income (Loss) and Deductions

1. Kentucky ordinary income (loss) from trade or business activities.....	1	00
2. Net income (loss) from rental real estate activities.....	2	00
3. Net income (loss) from other rental activities	3	00
4. Portfolio income (loss):		
(a) Interest Income.....	4(a)	00
(b) Dividend Income	(b)	00
(c) Royalty Income.....	(c)	00
(d) Net short-term capital gain (loss)	(d)	00
(e) Net long-term capital gain (loss).....	(e)	00
(f) Other portfolio income (loss) (attach schedule).....	(f)	00
5. Guaranteed payments to partners.....	5	00
6. IRC §1231 net gain (loss) (other than due to casualty or theft).....	6	00
7. Other income (loss) (attach schedule)	7	00
8. Charitable contributions (attach schedule) and housing for homeless deduction (attach Schedule HH).....	8	00
9. IRC §179 expense deduction (attach federal Form 4562 and Kentucky Form 4562).....	9	00
10. Deductions related to portfolio income (loss) (attach schedule).....	10	00
11. Other deductions (attach schedule)	11	00

Investment Interest

12. (a) Interest expense on investment debts	12(a)	00
(b) (1) Investment income included on lines 4(a), 4(b), 4(c), and 4(f) above	(b)(1)	00
(b) (2) Investment expenses included on line 10 above	(b)(2)	00

Tax Credits (see instructions)

13. Enter the applicable tax credit.....		
(a) ➤	13(a)	00
(b) ➤	(b)	00
(c) ➤	(c)	00
(d) ➤	(d)	00
(e) ➤	(e)	00



PARTNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC.

SECTION A—continued	Pro Rata Share Items	Total Amount	
Tax Credits—Refundable			
14. Certified Rehabilitation Tax Credit	14		00
15. Film Industry Tax Credit	15		00
Other Items			
16. (a) Type of Section 59(e)(2) expenditures ➤	16(a)		
(b) Amount of Section 59(e)(2) expenditures	(b)		00
17. Tax-exempt interest income	17		00
18. Other tax-exempt income	18		00
19. Nondeductible expenses	19		00
20. Property distributions (including cash)	20		00
21. Supplemental information required to be reported to each partner (attach schedule(s)).....	21		

SECTION B—LLET Pass-through Items (Required)

For Corporate Partners Only: If the General Partnership was formed on or before January 1, 2006, enter the Corporation's distributive share of the pass-through entity's items of income, loss and deductions.			
A. Net distributive share income from limited liability pass-through entities.....	A		00
B. Limited liability entity tax (LLET) nonrefundable credit	B		00
If General Partnership was formed after January 1, 2006, Corporation's and Pass-Through Entities Partners, must include the proportionate share of the sales, property, and payroll of the limited liability pass-through entity or general partnership in computing its own apportionment factor.			
1. Kentucky gross receipts	1		00
2. Total gross receipts	2		00
3. Kentucky gross profits.....	3		00
4. Total gross profits.....	4		00
5. Limited liability entity tax (LLET) nonrefundable credit	5		00

SECTION C—Apportionment Pass-through Items

PARTNER'S SHARE

1. Kentucky sales	1		00
2. Total sales.....	2		00
3. Kentucky property	3		00
4. Total property.....	4		00
5. Kentucky payroll	5		00
6. Total payroll	6		00

SECTION D—Resident Partner Adjustment

1. Combination of Kentucky Schedule K-1, lines 1 through 6, 9, and portions of lines 7 and 11. Add income amounts and subtract (loss) and deduction amounts (see instructions).....	1		00
2. Combination of federal Schedule K-1, lines 1 through 10, 12, and portions of lines 11 and 13. Add income amounts and subtract (loss) and deduction amounts (see instructions).....	2		00
3. Enter difference of lines 1 and 2 here and on appropriate line on Schedule M (see instructions)	3		00

Who Must File—Although the partnership is not subject to income tax, the partners are liable for tax on their share of the partnership income, whether or not distributed, and must include their share on the individual income tax return.

If you were a Kentucky resident for the entire year, your filing requirement depends upon your family size, modified gross income, Kentucky adjusted gross income, and income from self-employment.

Any person with gross receipts exceeding the threshold amount determined under KRS 141.066 from self-employment must file a Form 740 regardless of the amount of adjusted gross income or the number of tax credits claimed. Generally, all income of Kentucky residents, regardless of where it was earned, is subject to Kentucky income tax. See Form 740 Instructions.

Nonresidents with income from Kentucky sources and part-year residents receiving income while a Kentucky resident or from Kentucky sources while a nonresident must file a Kentucky return. **Partnership income is not exempted by reciprocal agreements between Kentucky and any other state.** Form 740-NP must be filed by an individual with income from Kentucky sources and a combined gross income from all sources exceeding the threshold amount determined under KRS 141.066. Full-year nonresidents must report all income from Kentucky sources and from property located in Kentucky. Persons moving into Kentucky must report income received from Kentucky sources prior to becoming residents and income received from all sources after becoming Kentucky residents. Residents moving out of Kentucky during the year must report income from all sources while a resident and from Kentucky sources while a nonresident.

When to Report—Include your share of the partnership's income or (loss), credits, deductions, etc., as shown by your Schedule K-1 (Form 765-GP) on your Kentucky income tax return for the year in which the tax year of the partnership ends. For example, if you, the partner, are on a calendar year, and the partnership's tax year ends January 31, 2017, you must take the items listed on Schedule K-1 (Form 765-GP) into account on your tax return for calendar year 2017.

At-Risk Limitations—Generally, if you have a loss from any activity carried on as a trade or business or for the production of income by the partnership and you, the partner, have amounts invested in that activity for which you are not at risk, you will be required to complete federal Form 6198, At-Risk Limitations, to figure the allowable loss to report on your Kentucky income tax return. Your deductible loss from each activity for the tax year generally is limited to the amount you are at risk for the activity at the end of the partnership's tax year or the amount of the loss, whichever is less. To help you complete Form 6198, if required, the partnership will provide a schedule showing your share of income, expenses, etc., for each at-risk activity.

NOTE: Form 740 filers see Form 740 instructions for Schedule M, Line 7 and/or Line 19.

Passive Activity Limitations—The passive activity limitations in IRC § 469 are figured at the partner level and may apply to any loss reported on Lines 1, 2, or 3 and any other related items of income, loss and deductions reported on Schedule K-1 (Form 765-GP). Refer to the federal Partner's Instructions for Schedule K-1 (Form 1065) to determine if the passive activity limitations apply to your share of loss(es) reported on Schedule K-1 (Form 765-GP) and if you must file Form 8582-K, Kentucky Passive Activity Loss Limitations.

SPECIFIC INSTRUCTIONS

Kentucky Resident Partners (Form 740 Filers)—To determine the net difference between the federal Schedule K-1 amounts and the Kentucky

Schedule K-1 amounts, complete Section D, Lines 1, 2, and 3. This will adjust the items of income, loss, and deductions used to compute your federal adjusted gross income to the Kentucky amounts shown on the Kentucky Schedule K-1.

Line 1—Include on this line the Kentucky Schedule K-1 amounts from Lines 1 through 6 and 9. Also include the amounts from Lines 7 and 11 that do not pass through to the Form 740 or 740-NP Schedule A as itemized deductions.

Line 2—Include on this line the federal Schedule K-1 amounts from Lines 1 through 10 and 12. Also include the amounts from Lines 11 and 13 that do not pass through to the Form 740 or 740-NP Schedule A as itemized deductions.

NOTE: If Form 8582-K is required, adjust the amounts entered on Lines 1 and 2 to exclude any income, loss, deduction, or expense related to a passive activity. Complete the passive activities adjustment worksheet (Form 8582-K, page 2) to determine additions to or subtractions from federal adjusted gross income. **See Form 740 instructions for Schedule M, Line 7 and/or Line 19.**

If amounts on Lines 4(d) and 4(e) are subject to the capital loss limitations, do not include on Lines 1 and 2. Complete federal Schedule D using Kentucky amounts to determine additions to or subtractions from federal adjusted gross income.

Line 3—Enter difference of Lines 1 and 2. If Line 1 is greater than Line 2, enter the difference as an addition to federal adjusted gross income on Schedule M, Line 3. If Line 2 is greater than Line 1, enter the difference as a subtraction on Schedule M, Line 15.

Caution: If the amounts on both Lines 1 and 2 are loss amounts, the smaller dollar amount of loss is the greater amount and to determine the difference subtract the smaller dollar amount from the larger dollar amount. If the amount on either Line 1 or 2 is an income amount and the amount on the other line is a loss amount, the income amount is the greater amount; therefore, add the two amounts to determine the difference.

Nonresident Individual Partners (Form 740-NP Filers)—A nonresident individual who is required to file Form 740-NP, Kentucky Individual Income Tax Return Nonresident or Part-Year Resident, or who elects to file Form 740-NP to take advantage of capital loss and net operating loss carryovers must enter the amounts from the Kentucky Schedule K-1 as follows:

If the percentage in Item C(2) is "100%," the amounts on Lines 1 through 6 and 9, portions of Lines 7 and 11 and the portion of Line 16(b) actually deducted for the current year must be entered on the appropriate lines of Form 740-NP and related schedules.

If the percentage in Item C(2) is less than 100 percent, the amounts on Lines 1 through 6 and 9, portions of Lines 7 and 11 and the portion of Line 16(b) actually deducted for the current year must be multiplied by this percentage and entered on the appropriate lines of Form 740-NP and related schedules. Amounts on Lines 12(a) and the portions of Lines 7 and 11 which pass through to Schedule A (Form 740-NP) should not be multiplied by the percentage in Item C(2) since these amounts will be multiplied by the percentage on Form 740-NP, Section D, Line 36 (Percentage of Kentucky Adjusted Gross Income to Federal Adjusted Gross Income).

Lines 1 through 3—Enter on federal Schedule E using Kentucky amounts or Form 8582-K, if applicable.

Line 4(a)—Enter on Form 740-NP, Section D, Line 3.

Line 4(b)—Enter on Form 740-NP, Section D, Line 4.

Line 4(c)—Enter on federal Schedule E using Kentucky amounts.

Lines 4(d) and (e)—Enter on federal Schedule D using Kentucky amounts or Form 8582-K, if applicable.

Line 4(f)—Enter on applicable lines of your return (see federal Partner's Instructions for Schedule K-1 (Form 1065)).

Line 5—Enter on applicable line of your tax return (see federal Partner's Instructions for Schedule K-1 (Form 1065)).

Line 6—Enter on federal Form 4797.

Line 7—Enter on applicable lines of your return (see federal Partner's Instructions for Schedule K-1 (Form 1065)).

Line 8—Enter on Schedule A, Form 740-NP.

Line 9—Enter on federal Schedule E using Kentucky amounts.

Line 10—Enter on Schedule A, Form 740-NP.

Line 11—Enter on applicable form or schedule (see federal Partner's Instructions for Schedule K-1 (Form 1065)).

For All Partners

Lines 12 and 16 through 21—See federal Partner's Instructions for Lines 13, 19, and 20, Schedule K-1 (Form 1065).

Individual and Corporate Partners—Enter the LLET Pass-through items from Kentucky Schedule K-1 (Form 765-GP), Section B on Line 2 of the Kentucky Limited Liability Entity Tax Credit Worksheet (located in Form 740, Form 740-NP, or Form 741 instructions under Business Incentives and Other Tax Credits) for Forms 740, 740-NP, or 741; or Line 2 of the Corporation LLET Credit Worksheet (located in Form 720 instructions under Part II—Income Tax Computation) for Form 720.

Enter the amount from Section B, Line 5 on Line 7 of the Kentucky Limited Liability Entity Tax Credit Worksheet or Line 7 of the Corporation LLET Credit Worksheet.

Estates and Trusts (Form 741 Filers)—Estates or trusts report the amounts shown on the Kentucky Schedule K-1 on Form 741, Kentucky Fiduciary Income Tax Return, and related schedules. See federal Partner's Instructions for Schedule K-1 (Form 1065).