



Instructions for Handwritten Forms

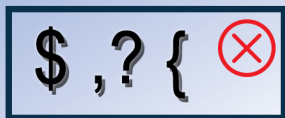
Guidelines



Do not use red ink
Use blue or black ink



Do not use dollar signs,
commas, or other
punction marks



Printing



Before printing select
"actual size"



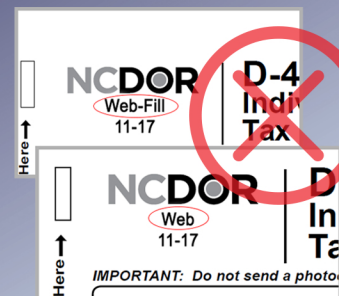
Do not select "print on
both sides of paper"



Before Mailing



Do not mix form types



Do not submit
photocopies of returns
Submit originals only



2017 D-403 Partnership Income Tax Return

For calendar year **2017**, or fiscal year beginning (MM-DD) _____ - _____ - **17** and ending (MM-DD-YY) _____ - _____ - _____

Legal Name (USE CAPITAL LETTERS FOR NAME AND ADDRESS)

Legal Name Continued

Federal Employer ID Number

If LLC, Enter N.C. Secretary of State ID

Fill in all applicable circles:

- ☐ Initial Return
- ☐ Amended Return
- ☐ Final Return
- ☐ Entity is LLC
- ☐ Entity has Nonresident Owners
- ☐ NC-NPA Forms attached
- ☐ NC-478 is attached
- ☐ Publicly Traded Partnership

Address

Apartment Number

City

State

Zip Code

County (Enter first five letters)

Part 1. Computation of Income Tax Due or Refund (See Form D-403A, Instructions for Partnership Income Tax Return.)

1. Total income or loss (From Part 6, Line 12 or Federal Form 1065, Schedule K, Lines 1-11)

2. Guaranteed payments to partners

3. Line 1 minus Line 2

4. Additions to income
(From Part 7, Line 4)

5. Add Lines 3 and 4

6. Deductions from income (From Part 7, Line 9)

7. Net distributive partnership income
(Line 5 minus Line 6)

8. Nonapportionable net distributive partnership income
(From Part 3, Line 1)

9. Apportionable net distributive partnership income
(Line 7 minus Line 8)

10. Nonapportionable net distributive partnership income
allocated to North Carolina (From Part 3, Line 2)

11. Tax due for nonresident partners (Enter Partners'
Total from Part 4, Line 18)

12. Tax credits allocated to nonresident partners
(Enter Partners' Total from Part 4, Line 19)

13. Net tax due for nonresident partners (Enter Partners'
Total from Part 4, Line 20)

14. Tax paid with extension and other prepayments of tax
(If filing an amended return, see instructions)

15. Tax paid by other partnerships or by S corporations

16. Tax withheld from personal services income

17. Add Lines 14 through 16

18. Total tax due for nonresident partners (If Line 13 is more than
Line 17, subtract and enter the result.)

19. 19a. Penalties

19b. Interest

(Add Lines 19a and
19b and enter the
total on Line 19c)

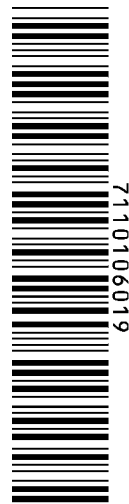
19c. _____ .00

20. Total Due for nonresident partners (Add Lines 18 and 19c and enter the result.
The manager of the partnership must pay this amount with the return.)

21. Amount to be Refunded (If net tax due on Line 13 is less than Line 17,
subtract and enter the result.)

If amount on
Line 1, 3, 5, 7,
8, 9, or 10 is
negative, fill in
circle.

Example:



1.	☐	_____	.00
2.		_____	.00
3.	☐	_____	.00
4.		_____	.00
5.	☐	_____	.00
6.		_____	.00
7.	☐	_____	.00
8.	☐	_____	.00
9.	☐	_____	.00
10.	☐	_____	.00
11.		_____	.00
12.		_____	.00
13.		_____	.00
14.		_____	.00
15.		_____	.00
16.		_____	.00
17.		_____	.00
18.		_____	.00
19c.		_____	.00
20.	\$	_____	.00
21.		_____	.00

Legal Name (First 10 Characters)

Federal Employer ID Number

Important: Refer to the Instructions before completing Parts 2 and 3.

Part 2. Apportionment Percentage for Partnerships That Have One or More Nonresident Partners and Operate in North Carolina and in One or More Other States

	1. Within North Carolina		2. Total Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending Period
1. Land				
2. Buildings				
3. Inventories				
4. Other property				
5. Total (Add Lines 1-4)				
6. Average value of property Add amounts on Line 5 for (a) and (b); divide by 2				
7. Rented property (Multiply annual rents by 8)				
8. Property Factor (Add Lines 6 and 7; divide Column 1 by Column 2 and enter factor)				Factor
9. Gross payroll				
10. Compensation of general executive officers				
11. Payroll Factor (Line 9 minus Line 10; divide Column 1 by Column 2 and enter factor)				%
12. Sales Factor (Divide Column 1 by Column 2; multiply the result by 4 and enter factor)				%
13. Total of Factors (Add Lines 8, 11, and 12)				%
14. N.C. Apportionment Factor (Divide Line 13 by 6 or the number of factors present; enter result here, and on Part 4, Line 12 for each nonresident partner.)				%
Partnerships Apportioning Income to N.C. and to Other States Using Single Sales Factor Partnerships that would meet the definition of "excluded corporation" or the definition of "capital intensive corporation" in G.S. 105-130.4 if they were corporations and certain public utilities treated as partnerships must apportion North Carolina income tax using the sales factor alone. These partnerships need not complete the property and payroll factor sections above. Divide Line 12, Column 1 by Line 12, Column 2 and enter result here and on Part 4, Line 12 for each nonresident partner.				
Special Apportionment Special apportionment formulas apply to certain types of partnerships such as telephone companies, motor carriers, and railroad companies. If you use a special apportionment formula, enter the computed apportionment factor here and on Part 4, Line 12 for each nonresident partner.				

Part 3. Nonapportionable Net Distributive Partnership Income

Complete this schedule if you have income classified as nonapportionable income. See the instructions for an explanation of what is apportionable income and what is nonapportionable income.

(A) Nonapportionable Income	(B) Gross Amounts	(C) Related Expenses	(D) Net Amounts (Column B minus Column C)	(E) Net Amounts Allocated Directly to N.C.
1. Nonapportionable Income (Enter the total of Column D here and on Part 1, Line 8)			.00	
2. Nonapportionable Income Allocated to N.C. (Enter the total of Column E here and on Part 1, Line 10)				.00

Explanation of why income listed in chart is nonapportionable income rather than apportionable income: (Attach additional sheets if necessary)

Legal Name (First 10 Characters)

If more than two partners, include
separate schedule for additional partners.
Only one Total is needed.

Federal Employer ID Number

Part 4. A. Partners' Shares of Income, Adjustments, Tax Credits, and Other Items

Complete Lines 1 through 8 for all partners.

B. Computation of North Carolina Taxable Income for Nonresident Partners

Complete Lines 9 through 17 for all nonresident partners.

C. Computation of Tax Due for Nonresident Partners on Whose Behalf the Partnership Pays the Tax

Complete Lines 18 through 20.

A	Attach other pages if needed.	Partner 1	Partner 2	Partners' Total
	1. Identifying Number			
	2. Name			
	3. Address			
	4. Partner's share percentage	%	%	%
	5. Type of partner (Ex: Ind., Corp., Part.)			
	6. Additions to income (loss) (To Form NC K-1, Line 2)			
	7. Deductions from income (loss) (To Form NC K-1, Line 3)			
	8. Share of Tax Credits (To Form NC K-1, Line 4)			
		NC Resident ☐ Yes ☐ No	NC Resident ☐ Yes ☐ No	
B	9. Guaranteed payments to nonresident partners applicable to income on Part 1, Line 9			
	10. Percentage from Line 4 times amount on Part 1, Line 9			
	11. Add Lines 9 and 10			
	12. Apportionment percentage from Part 2	%	%	
	13. Multiply Line 11 by Line 12			
	14. Guaranteed payments to nonresident partners applicable to income on Part 1, Line 10			
	15. Percentage from Line 4 times amount on Part 1, Line 10			
	16. Separately stated items of income attributable to nonresident partners			
	17. North Carolina taxable income (Add Lines 13, 14, 15, and 16)			
C	18. Tax Due (Multiply Line 17 by 5.499%)			
	19. Tax credits allocated to nonresident partners from Line 8 above			
	20. Net Tax Due (Line 18 minus Line 19)			
		NC-NPA Form attached ☐ Yes ☐ No	NC-NPA Form attached ☐ Yes ☐ No	

Important: The Partnership must provide each Partner an NC K-1 for Form D-403 or other information necessary for the Partner to prepare the appropriate North Carolina Tax Return.

Legal Name (First 10 Characters)

Federal Employer ID Number

Part 5. Ordinary Business Income (Loss)

1. a. Gross receipts or sales	_____	.00
b. Returns and allowances	_____	.00
c. Balance (Line 1a minus Line 1b)	_____	.00
2. Cost of goods sold (Attach schedule)	_____	.00
3. Gross profit (Line 1c minus Line 2)	_____	.00
4. Ordinary income (loss) from other partnerships, estates, trusts (Attach schedule)	_____	.00
5. Net farm profit (loss) (Attach schedule)	_____	.00
6. Net gain (loss) (Attach schedule)	_____	.00
7. Other income (loss) (Attach schedule)	_____	.00
8. Total Income (Loss) Add Lines 3 through 7	_____	.00
9. Salaries and wages (other than to partners) (Less employment credits)	_____	.00
10. Guaranteed payments to partners	_____	.00
11. Repairs and maintenance	_____	.00
12. Bad debts	_____	.00
13. Rent	_____	.00
14. Taxes and licenses	_____	.00
15. Interest	_____	.00
16. a. Depreciation _____ b. Depreciation reported elsewhere on return _____ c. Balance (Line 16a minus 16b)	_____	.00
17. Depletion	_____	.00
18. Retirement plans, etc.	_____	.00
19. Employee benefit programs	_____	.00
20. Other deductions (Attach schedule)	_____	.00
21. Total Deductions Add the amounts shown in the far right column for Lines 9 through 20	_____	.00
22. Ordinary Business Income (Loss) Line 8 minus Line 21; enter amount here and on Part 6, Line 1	_____	.00

Part 6. Partners' Distributive Share Items

1. Ordinary business income (loss)	_____	.00
2. Net rental real estate income (loss)	_____	.00
3. Other net rental income (loss)	_____	.00
4. Guaranteed Payments	_____	.00
5. Interest income	_____	.00
6. Ordinary dividends	_____	.00
7. Royalties	_____	.00
8. Net short-term capital gain (loss)	_____	.00
9. Net long-term capital gain (loss)	_____	.00
10. Net section 1231 gain (loss)	_____	.00
11. Other income (loss) (Attach schedule)	_____	.00
12. Total Income (Loss) Add Lines 1 through 11 and enter amount here and on Part 1, Line 1	_____	.00

Part 7. Adjustments to Income (Loss)

(See Form D-401, Individual Income Tax Instructions)

Additions to Income	
1. Interest income from obligations of states other than North Carolina	_____ .00
2. State, local, or foreign income taxes deducted on the federal return	_____ .00
3. Other additions to income (Attach schedule)	_____ .00
4. Total additions to income (Add Lines 1, 2, and 3 and enter total here and on Part 1, Line 4)	_____ .00
Deductions from Income	
5. Interest income from obligations of the United States or United States' possessions	_____ .00
6. State, local, or foreign income tax refunds reported as income on federal return	_____ .00
7. Adjustment for bonus depreciation	_____ .00
8. Other deductions from income (Attach schedule)	_____ .00
9. Total deductions from income (Add Lines 5, 6, 7, and 8 and enter total here and on Part 1, Line 6)	_____ .00

Explanation of changes for Amended Return (Attach additional sheets if necessary)

I certify that, to the best of my knowledge, this return is accurate and complete.

If prepared by a person other than the managing partner, this certification is based on all information of which preparer has any knowledge.

Signature of Managing Partner _____ Date _____

Signature of Preparer Other Than Managing Partner _____ Date _____

Daytime Telephone Number (Include area code) _____

Address _____

If entity is an LLC and it converted to an LLC during the tax year, enter entity name prior to conversion: _____

Preparer's Daytime Telephone Number (Include area code) _____

☐ FEIN ☐ SSN ☐ PTIN:

(Fill in applicable circle)

Preparer's FEIN, SSN, or PTIN _____

MAIL TO: North Carolina Department of Revenue, P.O. Box 25000, Raleigh, North Carolina 27640-0640