

MARYLAND
FORM
510C

**COMPOSITE PASS-
THROUGH ENTITY
INCOME TAX RETURN**



18510C049

2018
-4\$

OR FISCAL YEAR BEGINNING _____ 2018, ENDING _____

► **Federal Employer Identification Number** (9 digits)

► **Date of Organization or Incorporation** (MMDDYY)

FEIN Applied for Date

Name

Current Mailing Address Line 1 (Street No. and Street Name or PO Box)

Current Mailing Address Line 2 (Apt No., Suite No., Floor No.)

City or town

State

ZIP Code

+4

Do not write in this space.

► ME

► YE

**Amended
Return** ► ☐

NOTE: YOU MUST COMPLETE MARYLAND FORM 510 BEFORE YOU BEGIN THIS RETURN. SEE ADMINISTRATIVE RELEASE 6.

STAPLE CHECK HERE

1. Enter the total number of nonresident individual members of PTE listed on Form 510, line 1b ► 1. _____
2. Enter the number of eligible nonresident individual members who have elected to be included in this composite filing ► 2. _____
3. Enter the total distributive or pro rata share of income for nonresident individuals included on line 2 of this form ► 3. _____ . ____
4. Enter total exemption amount from Form 510C Schedule A, Column C ► 4. _____ . ____
5. Enter total standard deduction from Form 510C Schedule A, Column D ► 5. _____ . ____
6. Allowable exemption and deductions. (Add lines 4 and 5.) 6. _____ . ____
7. Enter the total flow-through decoupling modifications from Form 510C Schedule A, Column E. If negative, enter negative ► 7. _____ . ____
8. Enter total income allocable to MD from Form 510C Schedule A, Column F ► 8. _____ . ____
9. Add lines 7 and 8 9. _____ . ____
10. MD taxable income. Subtract line 6 from line 9. (If less than zero, enter zero.) 10. _____ . ____
11. MD tax. (Multiply line 10 by 7.5%.) 11. _____ . ____
- 12a. Enter total PTE nonresident tax from Form 510C Schedule A, Column G ► 12a. _____ . ____
- 12b. Enter payment made with extension request ► 12b. _____ . ____
- 12c. Total payments (Add line 12a and 12b.) 12c. _____ . ____
13. Balance Due. If line 11 is greater than 12c, subtract line 12c from line 11 and enter here; go to line 15 ► 13. _____ . ____
14. Overpayment. If line 12c is greater than line 11, subtract line 11 from line 12c and enter amount here. ► 14. _____ . ____
15. Interest charge for late filing ► 15. _____ . ____
16. Total Balance Due (Add lines 13 and 15 or if line 15 exceeds line 14, enter the difference.) 16. _____ . ____
17. Overpayment **TO BE REFUNDED** (Subtract line 15 from line 14.) ► 17. _____ . ____



18510C149

NAME _____ FEIN _____

DIRECT DEPOSIT OF REFUND (See Instructions.) **Be sure the account information is correct.**

If this refund will go to an account outside of the United States, then to comply with banking rules, place a "Y" in this box ► ☐ and see instructions.

For the direct deposit option, complete the following information clearly and legibly.

18a. Type of account: ► 18a. ☐ Checking ☐ Savings

18b. Routing Number (9-digits): ► 18b. _____

18c. Account number: ► 18c. _____

SIGNATURE AND VERIFICATION

Check here ☐ if you authorize your preparer to discuss this return with us.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements and to the best of my knowledge and belief it is true, correct and complete. If prepared by a person other than taxpayer, the declaration is based on all information of which the preparer has any knowledge.

Signature of general partner, officer or member

Date

Title

Preparer's Name

Preparer's Signature

Preparer's address and telephone number

► _____
Preparer's PTIN (required by law)

Make checks payable to and mail to:

Comptroller Of Maryland
Revenue Administration Division
110 Carroll Street
Annapolis, Maryland 21411-0001

(Write Your Federal Employer Identification Number On Check
Using Blue Or Black Ink.)



► **Federal Employer Identification Number** (9 digits)

Name

Street Address

City or town

State

ZIP code

+4

MARYLAND COMPOSITE PASS-THROUGH ENTITY INCOME TAX RETURN
PASS THROUGH ENTITY MEMBER INFORMATION FOR COMPOSITE FILERS

A Member Name/ Social Security Number	B Number of Exemptions	C Exemption Amount	D Standard Deduction Amount	E PTE Decoupling Modifications	F Income Allocable to Maryland	G Distributive or Pro Rata Share of Tax Paid
SUBTOTAL of members from additional Form 510C Schedule A						
TOTALS						

GENERAL INSTRUCTIONS

Pass-through entities (PTEs) may use Form 510C to file a composite income tax return on behalf of eligible nonresident individual members. **Nonresident members other than individuals may not participate in the composite return.** The Maryland tax of each nonresident individual member is calculated using the rate of 5.75% plus the special nonresident tax of 1.75%.

Note: A single member entity cannot file a composite return.

SPECIFIC INSTRUCTIONS

Who may use this form. Nonresident individual members of a PTE doing business in the State who meet the composite return requirements contained in Administrative Release 6 and elect to be included in a composite return may not be required to file Maryland nonresident returns individually. Instead, the PTE doing business in the State may file a composite return on behalf of such nonresident individual members if:

1. Form 510C accurately reflects the Maryland taxable income and tax liability of each individual member shown on the return;
2. Form 510C Schedule A is attached containing all required information for each individual member; and,
3. The PTE pays the tax, interest and penalty due by each individual member shown on the return.

Any overpaid amount will be refunded to the PTE. For more information, Administrative Release 6 may be obtained from our Web site at www.marylandtaxes.gov.

Line 2 Enter the number of eligible nonresident individual members who have elected to be included on this composite return. Fiduciaries are not eligible and cannot be included.

Line 4 Enter the total exemption amount reported on Column C, Form 510C Schedule A. The exemption amount allowed for each nonresident individual member must be determined separately based on the individual member's filing status.

Generally, you are entitled to claim qualified exemptions on the Maryland return. The amount of your Maryland exemption may be limited by the amount of your federal adjusted gross income. See Instruction 10 of Form 505, Maryland Nonresident Income Tax Return to determine the exemption amount before multiplying it by the Maryland income factor, which is the nonresident's Maryland adjusted gross income (generally from Form 510C, Schedule A, Column F) divided by the nonresident's federal adjusted gross income (FAGI). If it is impracticable to determine all of the separate Maryland income factors, then the factor must be determined by using line 6 of Form 510 as the numerator (excluding the portion applicable to nonresident fiduciary members) and line 2 of Form 510 as the denominator (See Administrative Release 6).

Line 5 Enter the total standard deduction amount reported on Column D, Form 510C, Schedule A. The standard deduction amount allowed for each nonresident individual member must be determined separately based on the individual member's Maryland adjusted gross income, and then prorated by the nonresident's Maryland income factor. See Instruction 15 of Form 505, Maryland Nonresident Income Tax Return for determining the standard deduction amount. See the instruction for line 4 for the nonresident individual member's Maryland income factor.

Line 7 Enter the total PTE flow-through decoupling modification amount reported on Column E, Form 510C. No flow-through addition or subtraction modifications, other than the modification required as a result of Maryland's decoupling from the additional depreciation allowance and special 2-year net operating loss carryback provisions may be claimed on a composite return.

Line 15 If there is a balance due on line 13, interest may be due as result of late filing of Form 510C and payment of tax. Interest is due at the rate of 11% annually or 0.9167% per month for any month or part of a month that a tax is paid after the original due date of the return through 12/31/19. The annual interest rate will change after 12/31/19. For additional information see www.marylandtaxes.gov. The Maryland Revenue Administration Division will calculate the interest and

penalty for failure to pay the required amount of tax and notify the pass-through entity of any balance due.

Line 16 Total Balance Due. Add the amounts on lines 13 and 15 and enter the result, or, if the amount on line 15 exceeds line 14, enter the difference. The total amount due must be paid with the filing of Form 510C.

Schedule A Instructions. Complete the following for each eligible nonresident individual member who has elected to be included on this composite return.

Column A Member's full name and Social Security Number.

Column B Member's number of exemption allowance.

Column C Member's exemption amount. See instruction for Form 510C, line 4.

Column D Member's standard deduction. See instruction for Form 510C, line 5.

Column E Member's share of decoupling modification flow-through from the PTE. See instruction for Form 510C, line 7.

Column F Member's pro rata share of income allocable to Maryland. This is generally the member's portion of what is reported on line 4 of Form 510. If amount is less than 0, enter 0. **A PTE filing a composite return is not permitted to offset one member's income allocable to Maryland by a loss from another member.**

Column G Member's pro rata share of the nonresident withholding tax paid. This is the member's portion of what is reported on line 16d and line 17 of Form 510.

Direct Deposit of Refund. To comply with banking rules, we ask you to indicate on your return if the state refund is going to an account outside the United States. If this is the case, do not enter your routing and account numbers, as the direct deposit option is not available to you. We will send you a paper check. Complete lines 18a, b and c of Form 510C if you want us to deposit your refund directly into your account at a bank or other financial institution (such as a mutual fund, brokerage firm or credit union) in the United States.

Signature Verification. An authorized general partner, officer or member of the PTE must sign and date Form 510C and enter his or her title. If a preparer is used, the preparer also must sign the return and enter the firm's name, address and Preparer's Tax Identification Number (PTIN). Penalties may be imposed for tax preparers who fail to sign the tax return and provide their Preparer's Tax Identification Number.

Attachments and Mailing Instruction. Mail the completed return and all required attachments to **Comptroller of Maryland, Revenue Administration Division, 110 Carroll Street, Annapolis, MD 21411-0001.** Must attach with Form 510C: (1) Form 510C Schedule A, (2) the PTE's Form 510 Schedule B, Part I for individual members; and (3) the members' Maryland Schedule K-1 (510) issued by the PTE.

Extension of Time to File. Use Form PV to file an extension and make payment.

Amended Returns. If filing an amended return, check the Amended Return box on page 1 of Form 510C.

Privacy Act Information. The Tax-General Article of the Annotated Code of Maryland authorizes the Comptroller of Maryland to request information on tax returns to administer the income tax laws of Maryland, including determination and collection of correct taxes. Code Section 10-804 provides that you must include your Social Security Number on the return you file. This is so we know who you are and can process your return. If you fail to provide all or part of the requested information, then applicable exemptions, credits, deductions or adjustments may be disallowed and you may owe more tax. In addition, the law provides penalties for failing to supply information required by law or regulations. You may look at any records held by the Comptroller of Maryland which contain personal information about you. You may inspect such records, and you have certain rights to amend or correct them. As authorized by law, information furnished to the Comptroller of Maryland may be given to the United States Internal Revenue Service, a proper official of any state that exchanges tax information with Maryland and to an officer of this State having a right to the information in that officer's official capacity. The information may be obtained in accordance with a proper legislative or judicial order.