

GENERAL INFORMATION

PURPOSE OF FORM

The PA-40 NRC, Nonresident Consolidated Return, is a tax return used to combine and report the income (losses), PA tax withheld, credits, etc. of two or more qualifying electing nonresident individual owners of a domestic or foreign pass-through entity.

 **IMPORTANT:** A pass-through entity with only one qualified nonresident individual owner may not file the PA-40 NRC on behalf of that owner. A PA-40, Personal Income Tax Return, must be filed by the individual to report the income or loss from the pass-through entity.

 **NOTE:** If an entity files a PA-40 NRC on behalf of its qualifying electing nonresident individual owners, those owners do not file the PA-40, Individual Income Tax Return.

EFFECT OF FILING A CONSOLIDATED RETURN

Unless rejected, the department considers the PA-40 NRC, Nonresident Consolidated Income Tax Return, a return filed on behalf of a group of qualifying electing nonresident individual owners that meet the individual filing requirements of Pennsylvania personal income tax law.

The department's acceptance of a PA-40 NRC is conditional upon review to determine that it is a complete return and that all documentation was submitted.

This return is subject to revocation upon audit or review. The department retains the right at any time to require the filing of a PA-40, Personal Income Tax Return, from any of the individual partners or shareholders.

The department also retains the right to withdraw and modify the authority to file a PA-40 NRC.

 **IMPORTANT:** A qualifying electing nonresident individual owner may not change the election to file from a PA-40 NRC to a PA-40 or vice versa after filing either Pennsylvania tax return.

RECORDING DOLLAR AMOUNTS

Show money amounts in whole-dollars only. Eliminate any amount less than \$0.50 and increase any amount that is \$0.50 or more to the next highest dollar.

WHO MAY FILE

A pass-through entity may file the PA-40 NRC on behalf of two or more qualifying electing nonresident individual owners. See the definition of a qualifying electing nonresident individual owner for additional information.

WHO MAY NOT FILE

The following may not file a PA-40 NRC:

- Any entity with only non-qualifying owners (see the definition of a non-qualifying owner for additional information);
- Any entity with only one qualifying electing nonresident individual owner; and/or
- A fiscal-year entity that has a short-year period return and a fiscal-year period return that end in the same calendar year cannot file a PA-40 NRC for either period.

 **NOTE:** Non-qualifying pass-through entity owners must file a PA-40, Personal Income Tax Return, or PA-41 Fiduciary Income Tax Return, if they cannot participate in the PA-40 NRC.

DEFINITIONS

ELECTION TO FILE

A document maintained by the pass-through entity that provides an assertion the individual nonresident owner is qualified to participate in the filing of the PA-40 NRC. A review of the election should be conducted annually to assure that qualifying electing nonresident individual owners continue to be eligible to participate. See Maintaining Records – Signed Statements for additional information.

INDIVIDUAL

A natural person that includes the members of a partnership or association and the shareholders of a Pennsylvania S corporation.

PASS-THROUGH ENTITY

A pass-through entity is a PA S corporation, partnership or limited liability company classified as a partnership or PA S corporation for federal income tax purposes.

QUALIFYING ELECTING NONRESIDENT INDIVIDUAL OWNER

Any nonresident individual who owns an interest in a pass-through entity who meets the following additional requirements:

- Whose tax year is a calendar year;
- Who along with his or her spouse is a domiciliary of a state or country other than Pennsylvania during the entire calendar year;
- Who along with his or her spouse does not maintain a permanent place of abode in Pennsylvania during the calendar year;
- Who has no other Pennsylvania-taxable income derived from, or connected with Pennsylvania sources other than his or her distributive share of income or (loss) for the calendar year; and

- Who elects to participate in the consolidated filing.

NON-QUALIFYING OWNER

Any pass-through entity owner other than a nonresident individual and all nonresident individuals with more than one source of income or (loss) from Pennsylvania. Examples include, but are not limited to:

- Estates as owners of the pass-through entity;
- Trusts as owners of the pass-through entity (regardless of how the trust is taxed);
- Other pass-through entities as owners of the pass-through entity; and
- Individuals who own more than one pass-through entity with Pennsylvania-source income or who may have any other Pennsylvania income from any sources other than the current pass-through entity such as:
 - Compensation;
 - Business or farm income or losses;
 - Gains or losses from the sale of property;
 - Rental income or losses;
 - Estate or trust income; and/or
 - Gambling or lottery winnings.

 **IMPORTANT:** A list of qualifying electing nonresident individual owners must be maintained by the pass-through entity along with a separate list of non-qualifying owners. PA-40 Schedule NRC-I must be prepared and included with the PA-40 NRC. PA-40 Schedule NRC-I provides a list of all nonresident individual owners (qualifying and non-qualifying). See the separate instructions for PA-40 Schedule NRC-I for additional information.

MAINTAINING RECORDS

SIGNED STATEMENTS

Every participating nonresident individual owner must make an election to be part of the PA-40 NRC in writing each year. The elections must be maintained in the pass-through entity's files. The pass-through entity must maintain for inspection at its principal office the following:

- A list of all nonresident owners with all pertinent information for the owners including the names (list by last name in alphabetical order), addresses, Social Security numbers, ownership interests, distributive shares of total taxable income, tax due before application of payments, credits, shares of tax withheld or payments, and shares of overpayment, if any.
- A signed statement from each qualifying electing nonresident individual owner listed on the PA-40 Schedule NRC-I, Directory of Nonresident Owners (Individuals), evidencing the individual's election to join in filing a Pennsylvania consolidated group return for the taxable year.

 **NOTE:** The department does not have an official election form. However, it suggests that the statement include assertions regarding all five requirements that must be met to be a qualifying electing nonresident individual

owner. It is the responsibility of the pass-through entity to keep the election form it receives from its qualifying electing nonresident individual owners as part of the pass-through entity's records. Do not submit the election form to the department.

FILING THE PA-40 NRC

The filing of a PA-40 NRC does not affect or change the requirement for filing the PA-20S/PA-65, PA S Corporation/Partnership Information Return. The pass-through entity is still required to file the PA-20S/PA-65 and issue PA-20S/PA-65 Schedules RK-1 and NRK-1 to its owners. Please refer to the instructions for the filing of the PA-20S/PA-65.

WHAT TO FILE

The completed PA-40 NRC, the completed PA-40 Schedule NRC-I and the PA-20S/PA-65 Schedule NRK-1 for each qualifying electing nonresident individual owner must be sent to the department for each pass-through entity filing a PA-40 NRC return on behalf of its qualifying electing nonresident individual owners.

 **CAUTION:** The PA-40 NRC must be filed in paper form. It cannot be filed electronically.

ASSEMBLING THE PA-40 NRC

Assemble the PA-40 NRC in the following order:

- Signed original PA-40 NRC. Do not mail a return with a photocopied signature;
- PA-40 Schedule NRC-I;
- PA-20S/PA-65 Schedules NRK-1 for each qualifying electing nonresident individual owner included in the filing of the PA-40 NRC.

 **CAUTION:** The department will not accept federal Form 1065 or 1120S Schedule K-1 because the federal schedule does not properly reflect the classified Pennsylvania-taxable income amounts. Please do not attach the federal Schedules K-1 to the PA-40 NRC. The PA-20S/PA-65 Schedules NRK-1 submitted to nonresident individuals should reflect Pennsylvania-taxable income to nonresidents.

 **IMPORTANT:** Do not create a substitute PA-40 NRC that has not been approved by the department. A spreadsheet return is an unapproved and unacceptable tax form. Unapproved tax forms filed with the department may be rejected and returned to the taxpayer or tax return preparer and may result in the imposition of interest and penalty. In addition, unapproved tax forms filed with the department may delay the processing of refunds. If you are filing any tax form other than an official tax form, please review Miscellaneous Tax Bulletin 2008-02 on the department's website.

WHEN TO FILE

File the current year PA-40 NRC on or before April 15, 2020, including an extension date of Oct. 15, 2020.

If the due date falls on a Saturday, Sunday, or business holiday, the entity must file its PA-40 NRC no later

than midnight on the first business day following the Saturday, Sunday, or business holiday. The U.S. Postal Service postmark date on the envelope is proof of timely filing. Pennsylvania follows the same tax year as federal rules.

If the return cannot be filed by the original due date, request an extension of time to file. See Extension of Time To File.

If the return is not filed by the original due date or extended due date and the tax due is not paid by the original due date, the department imposes late filing and underpayment penalties.

CALENDAR-YEAR ENTITY

A pass-through entity must report all taxable income recognized between Jan. 1 and Dec. 31.

 **CAUTION:** The PA-40 NRC cannot be filed on a fiscal year.

FISCAL-YEAR ENTITY

A fiscal year is a period of 12 consecutive months without regard to the calendar year. The fiscal year is designated by the calendar year in which it ends. A fiscal-year pass-through entity reports all taxable income recognized during the fiscal year.

A pass-through entity **cannot** file the PA-40 NRC on a fiscal year.

However, fiscal-year pass-through entities **are** allowed to file the PA-40 NRC on behalf of its nonresident individual owners as long as the nonresident individual qualifies and elects to be included in the filing.

A fiscal-year pass-through entity files the PA-40 NRC return using forms for the year that includes the ending year of the fiscal-year period. While the pass-through entity files its return on forms using the beginning year of the fiscal year period, the owners of the pass-through entity report the income on forms using the ending year of the fiscal-year period. See When To File and the following Example.

EXAMPLE: ABC Company has a fiscal year from July 1, 2016 until June 30, 2017. ABC Company would file the PA-20S/PA-65 Information Return, on the 2016 form – the beginning year of the pass-through entity. ABC Company would file the PA-40 NRC on the 2017 form – the ending year of the pass-through entity. The Schedule NRK-1 for each qualifying electing nonresident individual owner being included on the 2017 PA-40 NRC verifies the income (loss) earned during ABC Company's fiscal year. The fiscal beginning and ending dates are also reported on Schedule NRK-1.

EXTENSION OF TIME TO FILE

If the pass-through entity cannot file its PA-40 NRC on or before the original return due date, the pass-through entity must use REV-276, Application for Extension of Time to File, to file for a 6-month extension.

The department will not grant an extension for more than 6 months except for taxpayers outside the U.S.

An extension for the PA-40 NRC is filed separately from extensions for business returns since nonresident individuals may not file on a fiscal year basis. A federal extension does

not grant an extension of time to file the PA-40 NRC.

An extension of time to file the PA-40 NRC does not extend the filing deadline for any other Pennsylvania tax return. A pass-through entity must obtain a separate extension of time to file all other Pennsylvania tax returns.

QUALIFYING FOR THE EXTENSION

When a pass-through entity requests an extension of time to file the PA-40 NRC it extends the filing time for its qualifying electing nonresident owners also.

An extension of time to file a PA-40 NRC does not extend the time for full payment of the catch-up nonresident withholding tax, nor does it preclude the assessment of penalty and interest for underpayment of tax due. Pay in full the amount reasonably estimated as the catch-up nonresident withholding tax due on or before the original due date.

HOW TO OBTAIN AN EXTENSION OF TIME TO FILE

1. Properly estimate the pass-through entity's current year nonresident withholding tax liability using the information available to you.
2. Enter the pass-through entity's tax liability on the REV-276.
3. File the REV-276 on or before the original return due date of the pass-through entity's return along with a check or money order for the current year nonresident withholding tax liability.

File the REV-276 in sufficient time before the return due date. The return due date is April 15, 2020 for calendar-year filers and the 15th day of the fourth month following the close of the fiscal year for fiscal-year filers. The department will not send a letter granting the extension however you will receive notification in the event the extension is denied.

MAIL FORM REV-276 TO:

**PA DEPARTMENT OF REVENUE
BUREAU OF INDIVIDUAL TAXES
PO BOX 280504
HARRISBURG PA 17128-0504**

FILE A PAPER REV-276

A REV-276 can only be filed in paper form. When requesting an extension for the PA-40 NRC, it cannot be filed electronically.

HOW TO FILE THE EXTENDED PA-40 NRC

When filing a PA-40 NRC for which an extension was requested, the pass-through entity should fill in the "Extension Requested" oval at the top of the PA-40 NRC.



NOTE: Do not submit the REV-276 with the PA-40 NRC.

EXTENSION DUE DATES

See When to File.

WHEN TO AMEND THE PA-40 NRC

An amended PA-40 NRC can only be filed to adjust the amounts on a return for increases or decreases in amounts due to amendments made by the pass-through entity to PA-20S/PA-65 Schedule NRK-1 or to correct errors. An amended PA-40 NRC cannot be filed to include any

additional electing nonresident individual owner or to reverse an election by removal of a non-qualifying owner.

OVER-REPORTED INCOME (REFUND CLAIM)

If the pass-through entity over reported income, failed to claim allowable credits, failed to report allowable deductions, or events transpired that decreased its reportable Pennsylvania-taxable income, including an IRS Report of Change, the pass-through entity must file an amended PA-40 NRC.

The amended return must be filed within three years of the original due date of the PA-40 NRC.

 **NOTE:** An amended PA-40 NRC should not be filed requesting a refund after the statute of limitations if a tax period has expired (three years from the original or extended due date, or payment of the tax). Additionally you may not file an amended return after the department has issued an assessment for the same taxable issues.

The amended PA-20S/PA-65 Schedules NRK-1 must show the corrected Pennsylvania-taxable income, so the nonresident shareholders or partners can report the correct income on their Pennsylvania tax return.

In order to obtain any refunds, owners must also file an amended Pennsylvania tax return within the later of three years of the original or extended due date of their return, or three years from the date of payment.

UNDER-REPORTED INCOME (TAX DUE)

If the pass-through entity under reported income, erroneously claimed credits or deductions to which it was not entitled, or events transpired that increased reportable Pennsylvania-taxable income, including an IRS Report of Change, the pass-through entity must file an amended PA-40 NRC within 30 days from the determination of such increase. The amended PA-20S/PA-65 Schedules NRK-1 must show the corrected Pennsylvania-taxable income so the nonresident shareholders can report the correct Pennsylvania income on their Pennsylvania tax return.

The pass-through entity and owners must also file an amended Pennsylvania tax return within 30 days of the discovery of the error to report any increase in income for taxes due.

 An amended return should not be filed requesting a refund in the nine-month period prior to the close of the statute of limitations for a tax period (three years from the original or extended due date of the return). A Petition for Refund (Form REV-65) should be filed for amendments requesting refunds during that time period to protect appeal rights in the event the request for refund is denied. A Petition for Refund may not be acted upon by the Board of Appeals if an amended return refund is denied and the Petition for Refund is filed after the three-year period has ended.

HOW TO AMEND THE PA-40 NRC

If after filing the PA-40 NRC a pass-through entity discovers that an incorrect return has been submitted to the department and/or federal Form 1065 or federal Form 1120S has been amended or if the Internal Revenue Service changes or corrects any item of income, gain or loss previously reported, the pass-through entity must submit an amended PA-40 NRC to the department

To amend your original PA-40 NRC use a tax return form for the tax year that is to be amended and fill in the “Amended Return” oval at the top of the tax return. Do not send a copy of your original return. Complete the return by entering the corrected information and submit it with the amended PA-20S/PA-65 Schedules NRK-1. Clearly mark the “Amended Schedule” oval on PA-20S/PA-65 Schedules NRK-1 and provide a copy to each owner. See Where to File.

 **IMPORTANT:** If an amended PA-20S/PA-65 Schedule NRK-1 is issued, the original PA-40 NRC must also be amended to reflect the changes on the PA-20S/PA-65 Schedule NRK-1.

WHERE TO FILE

Any pass-through entity filing on behalf of its qualifying electing nonresident individual owners must submit a PA-40 NRC with or without payment and the appropriate schedules to:

**PA DEPARTMENT OF REVENUE
CONSOLIDATED RETURN
PO BOX 280418
HARRISBURG PA 17128-0418**

If the tax liability of the qualifying electing nonresident individual owners exceeds the nonresident withholding tax payments, the pass-through entity must pay the deficiency by the date prescribed for filing the PA-40 NRC. The pass-through entity makes the final/catch-up payment with the PA-40 NRC or with an extension request.

HOW TO PAY

FINAL PAYMENT OF NONRESIDENT WITHHOLDING TAX WITH THE PA-40 NRC

Submit a check or money order made payable to the PA Dept. of Revenue in the same envelope with the PA-40 NRC. If available, enclose the 2017 Nonresident Withholding Tax Payment substitute voucher (approved vendor form). Print the pass-through entity's federal employer identification number (FEIN) and 2017 Final Nonresident Withholding on the check or money order. See Where to File.

Do not staple the check or money order to your return.

COMPLETING THE PA-40 NRC

FOREIGN ADDRESS INSTRUCTIONS

If the pass-through entity is located outside the U.S., it is important to write the foreign address on the PA-40 NRC according to U.S. Postal Service standards.

Failure to use these standards may delay processing or any correspondence necessary to complete the processing of the return.

To comply with foreign address standards, use the following rules when completing the address portion of the PA-40 NRC:

- Eliminate apostrophes, commas, periods and hyphens. Write the address in all uppercase letters. Addresses should have no more than five lines and must be written in ink or typewritten. Pencil is unacceptable.

- Write the name of the pass-through entity in the spaces provided. Mail may not be addressed to a person in one country “in care of” a person in another country. The address of items sent to general delivery must indicate the addressee’s full legal name.
- Write the address in the space provided, including street and building name and number, apartment or suite numbers, city name and city or provincial codes. All lines of the delivery address should appear in all capital letters. The house number and street address or box number must appear when mail is addressed to towns or cities.
- Write only the name of the country in the space provided for the city or post office.
- **Do not** include any entries in the state field other than “OC” for Out-of-Country. The ZIP code spaces should remain blank on the PA-40 NRC.

Providing the address in this format will better ensure that the department is able to contact the pass-through entity if we need additional information.

Below are two examples of properly completed foreign addresses:

FOREIGN ADDRESS EXAMPLES

Name: DIETRICH ENTERPRISES
 Address 1: HARTMANNSTRASSE 7
 Address 2: 5300 BONN 1
 City: GERMANY
 State: OC
 ZIP Code: Leave Blank

OR

Name: DIETRICH ENTERPRISES
 Address 1: 117 RUSSELL DR
 Address 2: LONDON W1PGHQ
 City: ENGLAND
 State: OC
 ZIP Code: Leave Blank

CANADA (ONLY) ADDRESS EXAMPLE

The following address format may be used when the postal address delivery zone number is included in the address:

Name: NORTH BY NORTHWEST CO
 Address 1: 1010 CLEAR ST
 Address 2: OTTAWA ONT K1A OB1
 City: CANADA
 State: OC
 ZIP Code: Leave Blank

 **NOTE:** For a Canadian address, two spaces must exist between the province abbreviation and the postal code. Please review previous example where “ONT” (province abbreviation) and “K1A OB1” (postal code) are shown with the proper address format, separated by two spaces.

If the pass-through entity’s address does not fit in the available spaces on the PA-40 NRC using this format, please include a separate statement with the return showing the complete address.

IDENTIFICATION INFORMATION

FEDERAL EMPLOYER IDENTIFICATION NUMBER (FEIN)

Enter the nine-digit FEIN of the pass-through entity.

PA S CORPORATION NAME OR PARTNERSHIP NAME

Enter the complete name of the pass-through entity.

FIRST LINE OF ADDRESS

Enter the street address. If the address has an apartment number, suite, or RR number, enter after the street address.



NOTE: If the street address along with the apartment number, suite, or RR number does not fit on the first line of address, enter the street address on the second line of address and the apartment number, suite, or RR number on the first line of address.

SECOND LINE OF ADDRESS

Enter the post office box, if applicable. If there is no post office box, leave the second line of address blank.

For a foreign address, enter the city or municipal designation. See Foreign Address Example.

For a Canadian address, enter the city and postal delivery zone number. See the example for Canada.



IMPORTANT: If the address has only a post office box, enter on the first line of address.

CITY, STATE AND ZIP CODE

Enter the appropriate information in each box. For foreign address, the bottom lines of the address should show only the country name, written in full (no abbreviations) and in capital letters. See Foreign Address Instructions.

TYPE OF BUSINESS ENTITY

Fill in the appropriate oval.

NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (NAICS) CODE

Provide the six-digit federal NAICS code identified on Page 1 of federal Form 1120S or 1065.

AMENDED RETURN

If the return is amended, fill in the oval.

FINAL RETURN

If the pass-through entity is out of business, fill in this oval.

DATE OUT-OF-EXISTENCE

Enter the date the pass-through entity went out of existence (MMDDYY).

EXTENSION REQUESTED

Fill in the oval if the pass-through entity requested an extension of time to file the PA-40 NRC. For more information, refer to Extension of Time To File.

TOTAL NUMBER OF NONRESIDENT INDIVIDUALS

Enter the number of all nonresident individual owners. Submit the PA-40 Schedule NRC-I, Directory of Nonresident Owners (Individuals).

NUMBER OF NONRESIDENT INDIVIDUALS ELECTING TO FILE ON THIS RETURN

Enter the number of qualifying electing nonresident individual owners included in the filing of the PA-40 NRC.

TIP A PA-20S/PA-65 Schedule NRK-1 for each qualifying electing nonresident individual owner must accompany the PA-40 NRC.

LINE INSTRUCTIONS

LINES 1 THROUGH 5

PENNSYLVANIA-SOURCE TAXABLE INCOME (LOSS)

Enter the Pennsylvania net taxable income (loss), by income class, from the PA-20S/PA-65 Schedule NRK-1 of the qualifying electing nonresident individual owners. If a loss, fill in the oval next to the line.

LINE 6

TOTAL PA-TAXABLE INCOME

Add only the positive income amounts on Lines 1 through 5. Do not subtract losses. A loss in one class of income may not offset income or gain in another class of income.

TIP Guaranteed payments for services, as shown on the PA-20S/PA-65 Schedule NRK-1 of a qualifying electing non-resident individual owner, must be added to the appropriate class of income.

LINE 7

PA TAX DUE BEFORE ALLOWABLE CREDITS

Multiply the total on Line 6 by 3.07 percent (0.0307) to calculate the Pennsylvania income tax due before allowable credits.

LINE 8

TOTAL PA TAX WITHHELD AND SUBMITTED FOR QUALIFYING ELECTING NONRESIDENT INDIVIDUAL OWNERS

Enter the total amount of nonresident withholding allocated to the qualifying electing nonresident individual owners participating in the filing of this return. Also include any carry-over credit from Line 13b of your 2016 PA-40 NRC and any other excess nonresident withholding payments not allocated to either qualifying electing nonresident individual owners or non-qualifying owners made on behalf of the pass-through entity.

CAUTION: Any amount allocated to non-qualifying owners cannot be included on Line 8. The amounts for non-qualifying owners will be included on the tax returns filed by those taxpayers.

NOTE: Although the income (loss), nonresident tax withheld, and tax credit amounts for non-qualifying owners are not included on the PA-40 NRC, all non-qualifying individuals must be listed on the PA-40 NRC-I.

IMPORTANT: Failure to remit quarterly withholding tax payments for all nonresident owners will result in the imposition of interest, penalty and estimated underpayment

penalty. Please review the REV-413 P/S on the department's website.

LINE 9

TOTAL OTHER CREDITS

Add the amount of Other Credits from PA-20S/PA-65 Schedule NRK-1, Line 7 for the restricted tax credit allocated to the qualifying electing nonresident individual owners and enter the amount on the appropriate line of the PA-40 Schedule OC. Enter the total credit amount from Line 16 of PA-40 Schedule OC on Line 9 of the PA-40 NRC. If multiple credits are included on Line 7 of the PA-20S/PA-65 Schedule NRK-1 for the qualifying electing nonresident individual owners, a statement or worksheet must be included that provides a breakdown of the credits by amount for each credit and qualifying electing nonresident individual owner.

CAUTION: Do not include amounts from Line 7 of the PA-20S/PA65 Schedules NRK-1 for non-qualifying owners.

LINE 10

TOTAL PA CREDITS

Add Lines 8 and 9.

LINE 11

TAX DUE

If Line 7 is more than Line 10, enter the difference. If the amount due is less than \$1, the department does not require payment but does require the entity to file the PA-40 NRC.

LINE 12

OVERPAYMENT

If line 10 is more that Line 7, enter the difference. The department will not refund an overpayment less than \$1. Complete Lines 13a and/or 13b.

LINE 13A

REFUND AMOUNT

Enter the amount of Line 12 to be refunded to the pass-through entity.

LINE 13B

CREDITED AMOUNT

Enter the amount of Line 12 to be credited to the 2018 non-resident withholding account. The department will not credit an overpayment of less than \$1.

TIP The total of Lines 13a and 13b must equal Line 12.

WHO MUST SIGN

GENERAL PARTNER, PRINCIPAL OFFICER OR AUTHORIZED INDIVIDUAL SIGNATURE AND NAME

The PA-40 NRC must be signed and dated.

The pass-through entity has not filed a valid PA-40 NRC unless it is properly signed. The individual signing the return

must be a general partner, limited liability company member, S corporation officer, and/or authorized partner or representative or individual expressly authorized to sign.

The pass-through entity official signing the return verifies by written declaration, under penalties of perjury, that he or she personally has examined the PA-40 NRC and its accompanying schedules and to the best of his or her knowledge, the PA-40 NRC is true, correct and complete.

The pass-through entity official that is responsible for signing the PA-40 NRC must sign it by hand; signature stamps or labels are not acceptable, and include his or her title, date, and daytime phone number.

The responsible official must submit all required schedules with the PA-40 NRC including the PA-40 NRC-I and PA-20S/PA-65 Schedules NRK-1 for each individual owner included in the filing.

PREPARER'S SIGNATURE AND NAME

A paid preparer may sign original or amended returns by rubber stamp, mechanical device, or computer software program. Pennsylvania follows federal guidelines for signature requirements for the preparer.

If a partner, shareholder or employee of the pass-through entity completes the PA-40 NRC the paid preparer's space should remain blank. In addition anyone who prepares the PA-40 NRC, Nonresident Consolidated Income Tax Return, but does not charge the pass-through entity should not complete the paid preparer section.

Anyone who prepares a PA-40 NRC for a fee or incident to the performance of services for which the preparer charges a fee e.g. an attorney provides legal services for a fee and includes for free, the preparation of the PA-40 NRC must complete the required paid preparer information listed below:

- Print or type the paid preparer's names in the space provided.
- Sign the return in the space provided for the paid preparer's signature.
- Fill in the other areas in the "Paid Preparer Use Only" section.
- Print or type the paid preparer's company or corporation name and federal employer identification number, if applicable.
- Print or type the paid preparer's Preparer Tax Identification Number (PTIN). If you are a paid preparer, you must use a PTIN issued by the Internal Revenue Service (IRS) to identify yourself in the paid preparer section of the tax return.
- Give a copy of the return to the taxpayer.

If someone prepares the return at no charge, the paid preparer's area need not be completed.