SCHEDULE K-1 FORM N-35 (REV. 2021)

PREPARE IN TRIPLICATE For EACH Shareholder

Copy 1 File with N-35 S Corporation Copy Copy 2

STATE OF HAWAII — DEPARTMENT OF TAXATION SHAREHOLDER'S SHARE OF INCOME, CREDITS, **DEDUCTIONS, ETC.**

For calendar year 2021 or other tax year ____, 2021 and ending _____



beginning_ Shareholder's Copy Copy 3 N35SCHK1 | 2021A 01 VID01 Corporation's Federal identifying number (FEIN) > Shareholder's identifying number > Shareholder's name, mailing address, and Postal/ZIP code Corporation's name, mailing address, and Postal/ZIP code % and (2) Number of shares owned by shareholder at (1) Shareholder's percentage of stock ownership for tax year ➤ (See Instructions for Schedule K-1) tax year end > Check applicable boxes: (1) ☐ Final K-1 (2) ☐ Amended K-1 Caution: Refer to Shareholder's Instructions for Schedule K-1 before entering information from Schedule K-1 on your tax return.

(a) Pro rata share items			(b) Attributable to Hawaii	(c) Attributable Elsewhere	(d) Form N-11*/ N-15** filers enter the amounts in col. (b) and col. (c) on:
Income (Losses)	1	Ordinary income (loss) from trade or business activities			1
	2	Net income (loss) from rental real estate activities			See Shareholder's Instructions for Schedule K-1 (N-35).
	3	Net income (loss) from other rental activities			Concadio IX 1 (IV 55).
	4	Interest			Interest Worksheet
	5	Ordinary Dividends			Line 9
	6	Royalties			See Shareholder's Instructions.
	7	Net short-term capital gain (loss)			Capital Gain/Loss Worksheet
	8	Net long-term capital gain (loss)			Capital Gain/Loss Worksheet
	9	Net section 1231 gain (loss)			Schedule D-1, line 2
	10	Other income (loss) (attach schedule)			(Enter on applicable line of your return)
Deductions	11	Charitable contributions.			Worksheet A-4, PY-4, or NR-4
	12	IRC section 179 expense deduction (attach schedule)			See Shareholder's Instructions.
	13	Deductions related to portfolio income (loss) (attach schedule)			Worksheet A-6, PY-6, or NR-6
	14	Other deductions (attach schedule)			(Enter on applicable line of your return)
Investment Interest	15	a Interest expense on investment debts			Form N-158, line 1
		b (1) Investment income included on lines 4, 5, and 6 above			See Shareholder's Instructions for
		(2) Investment expense included on line 13 above			Schedule K-1 (N-35).

* For Form N-11 filers, if your federal Schedule K-1 (Form 1120S) and Hawaii Schedule K-1 (Form N-35) amounts are different, the necessary adjustments are to be made in the Hawaii Additions Worksheet and/or Hawaii Subtractions Worksheet in the Form N-11 Instructions. **For Form N-15 filers, the referenced worksheets are located in the Form N-15 Instructions.

Purpose of Schedule K-1 — The S corporation uses Schedule K-1 (Form N-35) to report to you your share of the corporation's income (reduced by any tax the corporation paid on the income), credits, deductions, etc. Please keep it for your records.

Although the corporation is subject to a built-in gains tax, an excess net passive income tax, and a LIFO recapture tax, you are liable for the income tax on your share of the corporation's income, whether or not distributed, and you must include your share on your tax return.

Use these instructions to help you report the items shown on Schedule K-1 on your Hawaii income tax return. Where "(attach schedule)" appears on lines 10, 12, 13, 14, and 22a, it means the information for these lines (if applicable) will be shown on line 29, or if additional space was needed, the corporation will have attached a statement to your Schedule K-1 to show the information. The notation "(See

Instructions for Schedule K-1)" in item A is directed only to the corporation.

Schedule K-1 does not show the amount of actual dividend distributions the corporation paid to you. The corporation must report to you such amounts on Form 1099-DIV. Resident shareholders' actual dividend distributions are already included in federal adjusted gross income (federal AGI) for Form N-11 filers.

Schedule K-1 now provides you with information relating to the source of your share of the income of the S corporation. This is required under provisions of section 235-128, Hawaii Revised Statutes. How this income is reported by you to the State of Hawaii depends on your residency status. Shareholders who are Hawaii residents are to report the total sum of the income, deductions, and credits attributable to Hawaii and the income, deductions, and credits attributable elsewhere. Shareholders who

are not residents of Hawaii or who are part-year residents of Hawaii are to use amounts attributable to Hawaii and the total sum of amounts attributable to Hawaii and amounts attributable elsewhere in preparing their Hawaii income tax returns. Income attributable to Hawaii is reported by all shareholders net of adjustments allowed to corporations. The total of your share of these adjustments is shown on line 22a and are explained on line 29. Items of income or deductions should be reported on your return net of these adjustments. Resident shareholders may make an adjustment to income reported on their net income tax return for interest penalty on early withdrawal of savings, if a penalty was imposed on the early withdrawal of savings by the S corporation and the interest income is not attributable to Hawaii. The amount of this deduction appears on line 23.

FORM N-35 SCHEDULE K-1 (REV. 2021)

		(a) Pro rata share items	(b) Attributable to Hawaii	(c) Attributable Elsewhere	(d) Form N-11/N-15 filers enter on:
	16	a Fuel Tax Credit for Commercial Fishers			Form N-163
		b Total cost of qualifying property for the Capital Goods Excise Tax Credit			Form N-312, Part I
		c Amounts needed to claim the Enterprise Zone Tax Credit	See attached Form N-756A.		Form N-756
		d Hawaii Low-Income Housing Tax Credit			Form N-586
		e Credit for Employment of Vocational Rehabilitation Referrals			Form N-884
		f Qualified production costs for the Motion Picture, Digital Media,			
Credits		and Film Production Income Tax Credit			Form N-340
		g Credit for School Repair and Maintenance			Form N-330
		h Renewable Energy Technologies Income Tax Credit	See attached Form N-342A.		Form N-342
		i Important Agricultural Land Qualified Agricultural			
Cre		Cost Tax Credit			Form N-344
		j Tax Credit for Research Activities			Form N-346
		k Renewable Fuels Production Tax Credit			Form N-352
		I Organic Foods Production Tax Credit			Form N-354
		m Historic Preservation Income Tax Credit			Form N-325
		n Credit for income tax withheld on Form N-288A (net of refunds))
		o Credit for Hawaii income tax withheld on Form N-4			See Shareholder's Instructions
		(Nonresident shareholders only)			for Schedule K-1 (Form N-35)
		p Pro rata share of net income tax paid by the S corporation to			ior concade it i (i diffi it so)
		states which do not recognize the corporation's "S" status.			
	47	(Resident and part-year resident shareholders only)			
	17	Property distributions (including cash) other than dividend distributions			
	10	reported to you on federal Form 1099-DIV			
"	18 19	Tax exempt interest income Other tax exempt income			
ema		Nondeductible expenses			0 0
Other Items	21	Amount of loan repayments for "Loans from Shareholders."			See Shareholder's Instructions for Schedule K-1 (Form N-35)
		a Corporate adjustments to income attributable to Hawaii			ioi scriedule K-1 (Foriii N-35)
		(attach schedule)			
		b Personal adjustments to income attributable elsewhere			
	23	Interest penalty on early withdrawal of savings			J
Tax Credits		Recapture of Hawaii Low-Income Housing Tax Credit:)
		a From IRC section 42(j)(5) partnerships			Form N-586, Part III
		b Other than on line 24a			J
	25	Capital Goods Excise Tax Credit Properties	See attached N-312, Part II.		Form N-312, Part II
e O	26	Recapture of Tax Credit for Flood Victims			Form N-338
ptu	27	Recapture of Important Agricultural Land Qualified Agricultural			Form N-344
Recapture of		Cost Tax Credit			Form N-348
		Recapture of Capital Infrastructure Tax Credit			
	29	Supplemental information for lines 10, 12, 13, 14, 22a, or other items and a	mounts not included in lines 1 through	gh 28 that are required to be repor	ted separately to each shareholder
	H	(attach additional schedules if more space is needed):			
드					
Supplemental Information					
<u>=</u>					
enta					
le m	L				
ddn	L				
S					
	\vdash				
	<u> </u>				