

Instructions For Form 6900

2025 Alaska Partnership Information Return

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A waiver will not be granted to a partnership if that partnership is required to file its federal return electronically.

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Avoid Common Mistakes

To facilitate the processing of your return, be sure to do the following:

- 1) Do not file Form 6900 if you are not required to file. See Who Must File section on page 2.
- 2) Income is not apportioned at the partnership level. The partner itself is treated as if it had directly conducted the activities in the state.
- 3) If amounts are entered on Schedule A, Column A, enter the distributable percentage or "various" in Column B, and enter the distributable portion in Column C. Amounts should not be entered in Column A only.
- 4) If the partnership has nexus in Alaska and corporate or partnership partners listed on Schedule B, line 1, fill out Schedules A and K-1.
- 5) List all partners on Schedule B, lines 1 and 3. If all partners do not fit on one Schedule B, use multiple Schedules B. Do not attach a statement listing the partners.
- 6) Do not attach Schedule K-1 for any partners that are natural persons or effectively treated as natural persons and listed on Schedule B, line 3.

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GENERAL INSTRUCTIONS

Adoption of the Internal Revenue Code

Under AS 43.20.021, Alaska adopts the Internal Revenue Code, Sections 1-1399 and 6001-7872, with full force and effect, unless excepted to or modified by provisions of Alaska law. This includes federal provisions applicable to partnerships. In addition, AS 43.20.160 and AS 43.20.300 require the Department of Revenue (DOR) to apply, as far as practicable, the administrative and judicial interpretations of the federal income tax law.

Attribution Rule

Under Alaska Regulation 15 AAC 20.320, the tax attributes of a partnership, including apportionment factors, are attributed to the partners on the basis of their respective ownership interests, as modified by the partnership agreement. This means that the partner itself is treated as if it had directly conducted the activities in the state. Income is not apportioned at the partnership level.

Limited Liability Company (LLC)

An LLC doing business in the state must file an Alaska return consistent with its federal tax status. If the LLC is characterized as a partnership for federal income tax purposes, the LLC must file Form 6900. If the LLC is characterized as a corporation for federal income tax purposes, the LLC does not file Form 6900, but must file Form 6000, 6100, or 6150 (corporation net income tax return).

WHAT'S NEW

Electronic Filing

Electronic filing is available for the Alaska Partnership Information Return (Form 6900). The division's portal for filing returns and reports, Revenue Online, is at online-tax.alaska.gov.

A taxpayer is required to electronically file any return or report, unless a waiver is granted by the Department of Revenue (DOR). Amended returns for tax periods ending after July 1, 2016 are required to be electronically filed and fall under the definition of a "return". Failure to file electronically may result in a penalty. The penalty is (the greater of) \$25 or 1% of the total tax due before application of payments. (See AS 43.05.045 and AS 43.05.220(f).)

A taxpayer may apply for a waiver if the taxpayer does not have the capability of submitting Form 6900 electronically. The taxpayer must submit an Electronic Filing Waiver Application (Form 773) at least 30 days before the return is due. The waiver application is online at tax.alaska.gov, or call (907) 334-2524 to have one mailed to you.

The taxpayer will be notified by mail whether the waiver application is approved or denied. If the waiver application is approved, it is valid for five years after the first tax filing due date after it is approved.

Purpose of Form

Form 6900 is an information return reporting certain partnership information, and includes Form 6900, Schedule K-1 to report information to partners classified as corporations or partnerships for federal tax purposes. Form 6900, along with Schedule K-1, reports apportionment factor information, certain income modifications, and activities that may generate tax credits for the partners.

Who Must File

A partnership or an LLC treated as a partnership for tax purposes (hereafter “partnership”), which conducts business in the state (also known as having “nexus” with the state) is required to file Form 6900. If all of the partners or LLC members (hereafter “partners”) are natural persons or are effectively treated as natural persons, the partnership is not required to file Form 6900. The partnership must file Form 6900 if any partner is a corporation or another partnership.

A natural person is a real human being, as opposed to a legal person. Natural persons file individual income tax returns for U.S. tax purposes. Alaska treats partners that are not corporations or partnerships for federal tax purposes as natural persons (“effectively treated as natural persons.”) Partners effectively treated as natural persons are entities, including trusts, which report their items of income, deductions, and credits directly on a federal individual income tax return, as well as tax-exempt organizations not required to file an Alaska return.

A partnership is required to file Form 6900, even if the partnership itself does not conduct business in the state, but owns a partnership interest in a lower-tier partnership doing business in the state, because of the attribution rule.

Nexus

Nexus is sometimes referred to as “doing business” within the state. It is the act of conducting business activity within the state during the tax year. It may exist as a result of an entity’s direct activity, the activity of its employees or agents, or through its interest in a lower-tier partnership or LLC. A partnership registered outside of Alaska can still have nexus in Alaska. Nexus-creating activities may include, but are not limited to:

- 1) owning or using property in the state, including leased or mobile property;
- 2) presence of employees in the state for business purposes;
- 3) making sales into the state; or
- 4) the generation of income from sources within the state without regard to whether there is a physical presence in the state.

How Income is Shared Among Partners

Allocate income and expense items subject to Alaska modification, apportionment data, and Alaska credit-related items among the partners according to the partnership agreement for sharing income or loss generally. The partnership agreement may contain provisions allocating specific items in a ratio different from the ratio for sharing income or loss (IRC §704 provisions). Use the checkbox on Schedule B, Column E, to identify partners with specific allocations. On Schedule K-1, report the amount actually allocated to partners.

Publicly Traded Partnerships

Generally, a Publicly Traded Partnership (PTP) is taxed as a corporation, under Internal Revenue Code (IRC) Section 7704, for federal and Alaska purposes. A PTP must file Form 6000, 6100 or 6150 (Alaska corporation net income tax return). A PTP does not file Form 6900.

If a PTP meets the exception under IRC Section 7704(c), it is treated as a partnership for federal and Alaska purposes and is required to file Form 6900. Both the Tax Division’s online portal, Revenue Online, and the Internal Revenue Service’s MeF Program are capable of accepting Form 6900 for a PTP with a high volume of partners.

When to File

The Alaska partnership return must be filed within 30 days of the date on which the partnership’s federal return is required to be filed. Thus, the due date is not necessarily the 15th day of the month following the federal due date.

Extension of Time to File

A federal extension automatically extends the Alaska filing due date to 30 days after the federal extended due date. This is also true if the Internal Revenue Service (IRS) extends a due date because of an event such as a natural disaster situation. Be sure to check the appropriate box on page 1, under Return Information, and attach a copy of the federal extension to the Form 6900.

Who Must Sign

A general partner or LLC member manager must sign the return.

Where to Send Return

Mail the return with attachments to:

TAX DIVISION
ALASKA DEPARTMENT OF REVENUE
PO BOX 110420
JUNEAU AK 99811-0420

Note: filing a paper return may result in assessment of penalties for failure to file electronically. See electronic filing requirement above.

Other Related Forms

A corporation, or an LLC that is treated as a corporation for tax purposes (hereafter “corporation”), must file a Form 6000, 6100 or 6150 (corporation net income tax return), if the corporation is a partner in a partnership doing business in the state.

Amended Returns

An amended return must be filed as a complete return. All versions of Form 6900 have a checkbox on page 1, under Return Information, to indicate “amended return.” If the federal return was also amended, a complete copy must be attached. An amended Alaska return is required if the federal return is amended, or adjusted by the IRS.

Internal Revenue Service (IRS) Audit

A partnership is required to file an amended Alaska partnership return to report any amendment of the taxpayer’s federal partnership return, or any adjustment made by the IRS. The Alaska amended return must be filed within 60 days after the final determination of the federal adjustment to avoid assessment of a penalty for failure to file. If the date that the adjustment is finalized

is later than the date on the federal Revenue Agent's Report, the reason must be satisfactorily explained to avoid assessment of a penalty for failure to file.

Note: The partnership's obligation to report any IRS audit adjustment is not affected by the expiration of the statute of limitations period for the partnership's original Alaska partnership return.

Penalties

A partnership that does not file a complete partnership return by the due date, including extension, is subject to a penalty for failure to file a partnership return, under Alaska's adoption of IRC Section 6698. The penalty imposed is calculated by multiplying \$195 by the number of required Schedules K-1 (excluding any partner that is a natural person or is effectively treated as a natural person). The penalty applies for each month (or fraction thereof) during which such failure continues, for a maximum of 12 months.

Additional penalties may apply if the partnership does not furnish the Form 6900, Schedule K-1 to a partner.

Paid Preparer Authorization

If the partnership wants to allow the DOR to discuss its tax return with the paid preparer who signed it, check the applicable box in the signature area of the return. This authorization applies only to the preparer whose signature appears at the bottom of the return. It does not apply to the firm.

If the applicable box is checked, the partnership is authorizing DOR to contact the paid preparer to answer any questions that arise during the processing of the return. The partnership is also authorizing the paid preparer to:

- 1) Contact the DOR for information about the processing of the return or the status of any related refund or payment, and
- 2) Respond to certain DOR notices about math errors, offsets, and return preparation.

The partnership is not authorizing the paid preparer to receive any refund check, bind the partnership to anything (including any additional tax liability), or otherwise represent the partnership before the DOR. If the partnership wants to revoke the authorization, the partnership must file a Form 774, Power of Attorney

If You Need Help

If you have questions, need additional information or require other assistance, see our web site at <https://tax.alaska.gov>, or call:

Juneau: 907.465.2320

Anchorage: 907.269.6620

Required Attachments

A copy of the signed federal Form 1065, pages 1-5 must be attached to Form 6900 to constitute a complete filing.

If the partnership is reporting any activities that may generate a potential credit (to be claimed by a partner), then the appropriate form for that credit must be attached. These forms are available on our web site at <https://tax.alaska.gov>.

SPECIFIC INSTRUCTIONS

Partnership Identification

Enter the legal name and federal Employer Identification Number (EIN) of the partnership.

Contact Person

Provide the name, email address, and telephone number of an individual to whom correspondence regarding this return should be directed. This must be a general partner, LLC member manager, or employee authorized to receive confidential tax information. Generally, we cannot discuss tax matters with an outside party unless we have a Power of Attorney (see Paid Preparer Authorization above).

Return Information

Check all boxes that apply.

- Final Alaska return: Check this box if you do not expect to have nexus in Alaska after this tax year. Also check this box on Schedule K-1.
- Amended return: Check this box if this return is an amended return. You must file a complete return to amend. Be sure to attach a statement explaining the changes being reported. (See instructions for related checkbox below.) Also check this box on Schedule K-1.
- A federal extension automatically extends the Alaska filing due date. If a federal extension is in effect for the taxpayer, check "yes" here and attach a copy of Form 7004 to the return.
- Oil and gas tax partnership: for co-owners operating through joint operating agreements and filing a federal partnership return. If this box is checked, Other Information, line 2 must also be checked.
- Partnership agreement contains Section 704 provisions: Check this box if a special allocation is made to any partner under I.R.C. §704.
- Public Law 86-272 applies (P.L. 86-272): Check this box if the partnership is claiming protection under P.L. 86-272.
- If this is an amended return filed to report audit changes by the Internal Revenue Service, check the appropriate additional box. You must attach a complete copy of the federal audit report "RAR" showing federal changes by company.

Other Information

Question 1: The purpose of this series of questions is to identify a partnership that is required to file a return in Alaska. A partnership is **not** required to file, if any of the following three situations apply:

- 1) All of the partners are natural persons or are effectively treated as natural persons; or
- 2) The partnership is a "publicly traded partnership" that does not meet the exception under IRC Section 7704(c); or
- 3) The partnership
 - a) Does not conduct business in Alaska, and
 - b) Has no property in Alaska, and
 - c) Does not own an interest in a lower-tier partnership that is required to file Form 6900.

Nested Partnerships: Question 1c: If you answered yes to question 1c on page 1 of the Form 6900, then answer questions 2-5 to include activities attributed to the partnership from lower-tier partnerships. A lower-tiered partnership is required to file Form 6900 if it has nexus in Alaska and any partner is a corporation or another partnership, even if the partners of the higher-level partnership are all natural persons or those effectively treated as natural persons.

Attach Form 6900, Schedule K-1 from any lower-tiered partnership in which the partnership for which this return is being filed has an interest.

Question 1d: If all partners are natural persons or are effectively treated as natural persons, answer question 1d “no.” The partnership does not need to file Form 6900. If one or more partners is a natural person or is effectively treated as a natural person, and one or more additional partners is a corporation or partnership, answer “yes” to question 1d. A Form 6900, Schedule K-1 is not required for partners that are natural persons or are effectively treated as natural persons.

Question 2: If the partnership engages in the production or transportation of oil or gas in Alaska, then any corporation that is a partner (directly, or through a high-tier partnership), is subject to AS 43.20.144, the rules applicable to oil and gas producers and pipelines. For the partnership, this affects the information required on Schedule A.

Question 3: Indicate whether the partnership has an ownership interest in any foreign corporation. Attach a schedule showing the name, EIN, country of incorporation, and the ownership percentage held of each foreign corporation. If the partnership has an ownership interest in a foreign corporation, the ownership is attributed to any corporate partner, and may affect the Alaska corporate income tax reporting of that partner.

Question 4: If you answered yes to question 3 on page 1 of the Form 6900, then indicate whether any of the foreign corporations, in which an ownership interest was held, are a “tax haven corporation” as defined in 15 AAC 20.900(b)(4). If the partnership has an interest in a “tax haven corporation,” the ownership is attributed to any corporate partner, and may affect the Alaska corporate income tax reporting of that partner, if the partner is subject to water’s edge combined reporting under AS 43.20.145.

Question 5: Indicate whether the partnership has an ownership interest in any foreign partnership. Attach a schedule showing the name, EIN, and the ownership percentage held of each foreign partnership. If the foreign partnership has an ownership interest in a foreign corporation, the ownership is attributed to the upper-tier partnership, including all tax attributes such as apportionment factor. This affects the reporting of apportionment factor information on Schedule A. See instructions for Schedule A below.

Schedule A

Schedule A is used to report relevant income modifications, apportionment data, and potential credits, and to attribute those items to partners, other than natural persons or those effectively treated as natural persons. It is similar in concept to the federal Form 1065, Schedule K.

General Instructions for Schedule A: Enter in Schedule A, column A the relevant information for the entire partnership. Enter in Schedule A, column B the amount from Schedule B, line 2 (see instructions for Schedule B). This is the total percentage of ownership held by partners, other than natural persons or those effectively treated as natural persons. Enter in Schedule A, column C the distributable portion of the items in column A (multiply column A by the percentage in column B). This is the portion of items attributable to partners, other than natural persons or those effectively treated as natural persons. The amount of items in Schedule A, column C will be reported on Form 6900, Schedules K-1 for the partners, other than natural persons or those effectively treated as natural persons.

Nested Partnerships

If you answered yes to question 1c on page 1 of Form 6900, then the amounts in Schedule A, column A must include amounts attributed to the partnership from lower-tier partnerships.

Special Allocations

If a special allocation box is checked on Schedule B, line 1, column E for any partner, leave the percentage blank on all lines of Schedule A, column B. Instead, check the “various” box in column B. In Schedule A, column C, enter the total amount distributable to partners, other than natural persons or those effectively treated as natural persons.

Income/Expense Items Subject to Alaska Modification: A corporate partner must report certain income modifications for purposes of Alaska corporate income tax, under AS 43.20.031(c) or AS 43.20.144(b). Under 15 AAC 20.320, income and expenses of the partnership are attributed to the partner, as if the partner had directly engaged in those activities itself.

Certain potential modification items are not required to be reported on Form 6900. Generally, this is true where an item is separately stated on federal Form 1065, Schedule K, such as dividends, charitable contributions, capital gains, and IRC §965 inclusion amounts, deductions, and credits, because those items retain their character and are separately reported on the corporate partner’s federal Form 1120.

Note: If a partner is subject to AS 43.20.144 (oil and gas producers and pipelines), then the partner will be required to report modifications to depreciation, depletion, and intangible drilling costs under AS 43.20.144(b). This would include modification of the corporate partner’s share of costs incurred by the partnership. Since such costs are subject to certain elections by the corporate partner, the partnership is not required to report those items on Form 6900. In these circumstances, the corporate partner should contact the partnership to gather the relevant information.

Apportionment Data: This information will be used to calculate a corporate partner’s apportionment factor. In addition to general regulations cited below, special industry rules may apply. See Alaska Administrative Code (AAC) Title 15, Chapter 19 for further information.

Line 3: If the qualified oil and gas service industry expenditure credit is being allocated to partners, then Form 6327 must be completed and attached to the partnership return. Enter on line 3 the amount from Form 6327, line 2. See instructions for line 14.

Lines 5a–5b: Report the average value of owned property in Alaska (line 5a) and everywhere (line 5b). Owned property is valued at its original cost, which is the unadjusted basis for federal income tax purposes at the time of acquisition adjusted by subsequent additions, improvements, or partial dispositions. Owned property does not include construction in progress. Owned property does not include intangible personal property. See 15 AAC 19.141-181 for further details.

Rented property is valued at eight times the annual rents paid. See 15 AAC 19.191 for further details.

Lines 6a–6b: Report gross receipts derived during the tax year from transactions and activities attributable to Alaska (line 6a) and everywhere (line 6b) in the regular course of the partnership's regular trade or business. See 15 AAC 19.251-302 for further details.

Lines 7a–7b: Report compensation paid in Alaska (line 7a) and everywhere (line 7b). Do not complete lines 7a-7b, if you answered yes to question 2 on page 1 of Form 6900.

The term "compensation" means wages, salaries, commissions and any other form of remuneration paid directly to employees for personal services. Payments made to an independent contractor, or to any person not properly classified as an employee, are excluded. See 15 AAC 19.211-241 for further details.

Lines 8a–8b: Report tariffs paid in Alaska (line 8a) and everywhere (line 8b). "Tariffs" are amounts received by the partnership for transporting oil or gas by pipeline, regardless of whether the tariffs are paid by third parties or by a related party. See 15 AAC 20.500(a) for further details.

Lines 9a-9b: Report cumulative intangible drilling costs incurred in Alaska (line 9a) and everywhere (line 9b). See 15 AAC 20.500(b) for further details.

Lines 10a-10b: Report the number of barrels of oil or natural gas liquids (NGLs), net of royalty to an unrelated party, produced in Alaska (line 10a) and everywhere (line 10b). See 15 AAC 500(c) for further details.

Lines 11a-11b: Report one-sixth of the number of Mcf of gas, net of royalty to an unrelated party, produced from properties in Alaska (line 11a) and everywhere (line 11b). See 15 AAC 20.500(c) for more details.

Alaska Credit-Related Items: Form 6900 is used to report the allocation of certain Alaska incentive credits, and recapture of credit for cessation of operations under AS 43.20.046(h) and AS 43.20.047(h). The film production tax credit is not reported on Form 6900 because the taxpayer (corporation) must produce a credit certificate issued by the DOR directly to, and in the name of, the corporation claiming the credit.

Line 12: Report the alternative tax credit for oil and gas exploration under AS 43.55.025 if the credit is for exploration expenditures against the corporate income tax.

Line 14: If the qualified oil and gas service industry expenditure credit is being allocated to partners, according to the partnership agreement, then Form 6327 must be completed and attached to

the partnership return. Enter on line 14 the amount from Form 6327, line 3. The credit will then flow through to the applicable Schedule K-1. The partnership must attach a copy of the Form 6327 to the Form 6900 Schedule K-1 provided to the partner.

Line 15: You must complete and attach Form 665 to the partnership return. Enter on line 15 the amount from Form 665, line 1.

Line 16: You must complete and attach Form 6325 to the partnership return. Enter on line 16 the amount from Form 6325, line 5.

Line 18: You must complete and attach Form 6310 to the partnership return. Enter on line 18 the sum of Form 6310, line 2a.

Line 19: You must complete and attach Form 6310 to the partnership return. Enter on line 19 the sum of Form 6310, line 2b.

Line 20: Enter the amount of credit you are claiming under AS 43.20.052. In order to claim the credit, you are required to attach a statement to the return providing the information described in AS 43.20.052(c).

Line 21: If the LNG storage facility credit or the gas storage facility credit was originally allocated to partners, then the increase to tax for cessation of operations recapture must be reported. For recapture of the Alaska LNG Storage Facility Credit, Form 6323 must be completed and attached to the partnership return. Enter on line 21 the amount from Form 6323, line 4. See instructions for Form 6323 and 6324 for further information. If the gas storage facility tax credit was originally allocated to partners, then the increase to tax for cessation of operations recapture must be reported on line 20. If the gas storage facility tax credit was originally claimed by the partnership, then a claim for refund must be made on Form 6322. See instructions for Form 6322 for further information.

Schedule B

All partners must be fully accounted for on Schedule B. If additional lines are necessary, attach additional Schedules B, completing lines 2 and 4 only on the first Schedule B.

Line 1: List the legal name of all partners, other than natural persons or those effectively treated as natural persons, in column A. Enter in column B the percentage ownership held by each partner. This should agree to the partner's proportionate share of income and loss, according to the partnership agreement, and used for federal income tax purposes.

Enter in column D the appropriate entity code from the following:
C corporation
P partnership, or LLC treated as a partnership for federal tax purposes

Indicate in column E if a special allocation is made to the partner under Internal Revenue Code Section 704. If any box in column E is checked, see the Schedule A instructions for Special Allocations.

Line 3: List the names of all partners that are natural persons or effectively treated as natural persons, in column A. Enter in column B the percentage ownership held by each partner. Indicate in column C if a special allocation is made to the partner under Internal Revenue Code Section 704.

The sum of lines 2 and 4 must equal 100%, unless "various" or "special allocation" is checked.

Form 6900, Schedule K-1

A partnership is required to prepare and give a Form 6900, Schedule K-1 to each partner that is not a natural person or is not effectively treated as a natural person. A Form 6900, Schedule K-1 should not be attached for partners who are natural persons or are effectively treated as natural persons.

Complete a Schedule K-1 for each partner that is not a natural person or effectively treated as a natural person, to report that partner's distributive share of amounts reported on Schedule A.

Check all boxes that apply.

See How Income is Shared Among Partners, on page 2, for more information.