

For the calendar year 2025 or fiscal year beginning M M D D 2 0 2 5 and ending M M D D Y Y Y Y.

Name of Estate or Trust	Estate or Trust EIN (If this is a Grantor Trust, see instructions)		
Beneficiary's Name	Fiduciary's Name		
Beneficiary's EIN or SSN	Fiduciary's Address - number and street, or rural route		
Beneficiary's Address - number and street, or rural route	Fiduciary's City, Town or Post Office	State	ZIP Code
Beneficiary's City, Town or Post Office	State	ZIP Code	Fiduciary's Phone Number – include area code
Contact's Daytime Phone Number – include area code Check one: <input type="checkbox"/> Beneficiary <input type="checkbox"/> Power of Attorney <input type="checkbox"/> Other _____			

**Part 1 Arizona Nonresident Beneficiary's Share of Federal Distributable Income From Arizona Sources**

1	Federal distributable net income from Arizona sources: Enter the amount from Form 141AZ, Schedule D, line D9, column (c).....	1	00
2	Beneficiary's share of the amount entered on line 1: Nonresident individual beneficiaries, also enter this amount on Form 140NR, page 1, line 21, "ARIZONA" column.....	2	00

**Part 2 Arizona Nonresident Beneficiary's Share of Fiduciary Adjustment Related to Arizona Source Income**

3	Net fiduciary adjustment to be allocated: Enter the amount from Form 141AZ, Schedule C, line C14 .....	3	00
4	Amount on line 3 related to Arizona source income allocated to all nonresident beneficiaries.....	4	00
5	Beneficiary's share of the amount entered on line 4.....	5	00

- If you **did not elect to file a Small Business Income tax return and the amount on line 3 is a positive number**, include this amount on Arizona Form 140NR, page 1, line 32, *Other Additions to Income*.  
If you selected to file a Small Business Income tax return, enter the amount on Form 140NR-SBI, line 11.
- If you **did not elect to file a Small Business Income tax return and the amount on line 3 is a negative number**, include this amount on Arizona Form 140NR, page 2, line 45, *Other Subtractions from Income*.  
If you elect to file a Small Business Income tax return, enter the amount on Form 140NR-SBI, line 33.

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### Part 3 Net Long-Term Capital Gain Subtraction – Information Schedule

#### INSTRUCTIONS FOR THE FIDUCIARY:

Arizona requires individual taxpayers to make certain adjustments to their federal adjusted gross income in order to compute their Arizona taxable income.

- Lines 6 and 7:** If the beneficiary's federal 1041 K-1 includes a **distributed share** of the entity's net short-term capital gain or net long-term capital gain, complete line 6, columns (b) and (c); and line 7, columns (b) through (e).
- Lines 8 and 9:** If this is the final return for the estate or trust and a capital loss carryover amount was distributed to the beneficiary, complete line 8, columns (b) and (c); and line 9, columns (b) through (e).
- Lines 10 and 11:** If any of the amounts reported on line 7, columns (d) and (e) include a net long-term gain or (loss) from (1) **an investment in an Arizona Qualified Small Business**; or (2) the **exchange of one kind of legal tender for another kind of legal tender**, complete lines 10 and 11, columns (b) through (e). *In column (b), enter only the net capital gain or (loss) from all short-term and long-term investments in the Arizona qualified small business and the exchange of legal tender.*

	(a) Item	(b) Amount reported on federal Schedule K-1	(c) Amount included in column (b) <u>from</u> <u>Arizona sources</u>	(d) Net <b>long-term</b> capital gain or (loss) included in column (c) from assets acquired <b>before</b> January 1, 2012	(e) Net <b>long-term</b> capital gain or (loss) included in column (c) from assets acquired <b>after</b> December 31, 2011
6	Total net short-term capital gain or (loss) from Form 141AZ, page 1, line 15b <u>distributed to the beneficiary</u> .....	6	00	00	
7	Total net long-term capital gain or (loss) from Form 141AZ, page 1, line 15c <u>distributed to beneficiary</u> .....	7	00	00	00
8	Short-term capital loss carryover(s) distributed to the beneficiary upon termination of the estate or trust.....	8	00	00	
9	Long-term capital loss carryover(s) distributed to the beneficiary upon termination of the estate or trust.....	9	00	00	00

	(a) Item	(b) Net Capital Gain or (loss)	(c) Amount included in column (b) <u>from</u> <u>Arizona sources</u>	(d) Net <b>long-term</b> capital gain or (loss) included in column (c) from assets acquired <b>before</b> January 1, 2012	(e) Net <b>long-term</b> capital gain or (loss) included in column (c) from assets acquired <b>after</b> December 31, 2011
10	Net capital gain or (loss) from investment in an Arizona qualified small business.....	10	00	00	00
11	Net capital gain or (loss) from the exchange of one kind of legal tender for another kind of legal tender.....	11	00	00	00

#### INSTRUCTIONS FOR AN INDIVIDUAL BENEFICIARY:

The beneficiary **must** complete the *Worksheet for Net Long-Term Capital Gain Subtraction for Assets Acquired After December 31, 2011*, to determine the allowable subtraction. The worksheet is included in the instructions for the nonresident income tax return [Arizona Form 140NR].

**Nonresidents:** The amounts entered in column (e) on lines 7, 10, and 11 are used to compute the allowable subtraction on the net long-term capital gain worksheet. For more information, see the worksheet instructions for Form 140NR.

- For an amount entered on line 10, column (b); see the instructions for line 39 on Form 140NR.
- For an amount entered on line 11, column (b); see the instructions for lines 32 and 45 on Form 140NR.

**INSTRUCTIONS FOR THE FIDUCIARY BENEFICIARY:** See page 3.

**INSTRUCTIONS FOR THE PARTNERSHIP, S CORPORATION, C CORPORATION, AND EXEMPT ORGANIZATION BENEFICIARY:** See page 3.

Name of Estate or Trust (as shown on page 1)	EIN (If this is a Grantor Trust, see instructions)
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#### INSTRUCTIONS FOR THE FIDUCIARY BENEFICIARY:

If the net long-term capital gain (loss) on Part 3, line 7, above, is taxed at the estate or trust level, use the information above to complete the *Worksheet for Net Long-Term Capital Gain Subtraction for Assets Acquired After December 31, 2011*, included in the instructions of Form 141AZ for the estate or trust.

If the net long-term capital gain (loss) on Part 3, line 7, above, is distributed to the beneficiary, use the information above to complete the *Worksheet for Net Long-Term Capital Gain Subtraction for Assets Acquired After December 31, 2011*, included in the instructions of Form 141AZ. The worksheet will assist the estate or trust in completing the *Net Long-Term Capital Gain Subtraction – Information Schedule* on Form 141AZ Schedule K-1 or Schedule K-1(NR) for each beneficiary.

The amounts entered in column (d) on lines 7, 10, and 11 are used to compute the allowable subtraction on the net long-term capital gain worksheet. For more information, see the worksheet instructions for Form 141AZ.

- For an amount entered on line 10, column (b); see the instructions for line 14a, Form 141AZ.
- For an amount entered on line 11, column (b); see the instructions for lines 12b and 14b, Form 141AZ.

#### INSTRUCTIONS FOR THE PARTNERSHIP OR S CORPORATION BENEFICIARY:

The information in Part 3, above, should be used to complete the *Worksheet for Net Long-Term Capital Gain Subtraction for Assets Acquired After December 31, 2011*, included in the instructions of Arizona Form 165 or Arizona Form 120S. The worksheet will assist the partnership or S Corporation in completing the *Net Long-Term Capital Gain Subtraction – Information Schedule* on Arizona Form 165, Schedule K-1 or Schedule K-1(NR) for each partner; or Arizona Form 120S Schedule, K-1 or Schedule K-1(NR) for each shareholder.

#### INSTRUCTIONS FOR THE C CORPORATION OR EXEMPT ORGANIZATION BENEFICIARY:

A subtraction is not allowed for a C Corporation or an exempt organization. The information in Part 3, above, is informational only, and not required to be reported by the C Corporation or exempt organization.

#### **Part 4 Individual Beneficiary's Pro-Rata Share of the Distributed Virtual Currency and Non-Fungible Tokens**

12	<u>Fiduciary:</u> Enter the value of virtual currency and non-fungible tokens received at the time of airdrop distributed to the beneficiary.	12		00
	<u>Beneficiary:</u> Include this amount on Form 140NR, page 6, item "N", as an "Other Subtraction from Arizona Gross Income".			

#### **Part 5 Individual Beneficiary's Pro-Rata Share of the Distributed Gas Fees or Non-Fungible Token Basis**

13	<u>Fiduciary:</u> Enter the amount allowed as a subtraction for gas fees or non-fungible token basis distributed to the beneficiary.	13		00
	<u>Beneficiary:</u> Include this amount on Form 140NR, page 6, item "O", as an "Other Subtraction from Arizona Gross Income".			

#### **Part 6 Individual Beneficiary's Pro-Rata Share of the Distributed PTE Tax Credit from the Pass-through Entity**

14	Enter the amount of Entity-Level Income Tax Credit distributed to the individual beneficiary.	14		00
15	Individual Beneficiary's pro-rata share of the Arizona PTE Taxes <b>paid in 2025</b> for taxable years 2025 and/or 2024.	15		00

#### INSTRUCTIONS FOR THE FIDUCIARY:

Line 14 - Enter the pro-rata amount of the Entity-Level Income Tax credit distributed to the estate or trust's individual beneficiary.

Line 15 - Enter the amount of the individual beneficiary's pro-rata share of the Arizona pass-through entity taxes **paid in 2025** for taxable years 2025 and/or 2024.

For example: If the pass-through entity K-1 provided to the trust showed a total tax addback of \$20,000 and the trust keeps 10% and distributes 45% to each beneficiary, then the amount added back on the trust return would be \$2,000 ( $\$20,000 \times 10\%$ ) and the amount reported to each individual beneficiary on the 141 K-1(NR) would be \$9,000 ( $\$20,000 \times 45\%$ ) to each individual beneficiary.

#### INSTRUCTIONS FOR THE INDIVIDUAL BENEFICIARY:

Line 14 - Enter the amount of your distributed share of the Entity-Level Income Tax Credit on Form 355, line 3.

Line 15 - Enter the amount of your pro-rata share of Arizona taxes paid in 2025 for taxable year 2025 (add-back) on Form 140NR, page 5, item "L" or Form 140NR-SBI, line 24.