

For the calendar year 2025 or fiscal year beginning MM/DD/2025 and ending MM/DD/2025 Check this box if this fiscal year return is based on a 52/53 week taxable year.

Business Telephone Number (with area code)	Name	CHECK ONE:
		<input type="checkbox"/> Original <input type="checkbox"/> Amended
Business Activity Code (from federal Form 1065)	Address – number and street or PO Box	Employer Identification Number (EIN)
	City, Town or Post Office	State ZIP Code

68 Check box if: **A** This is a first return **B** Name change **C** Address change**A** Did the partnership make the Pass-Through Entity (PTE) election to pay tax on its flow-through income at the entity level? (See instructions) Yes No**B** DBA: _____**C** Date business commenced MM/DD/YYYY**D** Is this partnership an Arizona-only partnership? Yes No**E** Is this the partnership's final return under this EIN? Yes No**F** ARIZONA apportionment for multistate partnerships only (check one box):1 AIR CARRIER 2 STANDARD 3 SALES FACTOR ONLY**G** Check if Multistate Service Provider Election and Computation (Arizona Schedule MSP) is included. Indicate the year of the election cycle: Yr 1 Yr 2 Yr 3 Yr 4 Yr 5**H** Did you file 2023 and 2024 Arizona partnership returns? Yes No If "No", state reason: _____**I** Have you filed amended federal partnership returns for prior years? Yes No

If "Yes", list years in MM/DD/YYYY format: _____

J Has the Internal Revenue Service (IRS) made any adjustments in any federal income tax return filed by the partnership not previously reported to the department? Yes No If "Yes", indicate year(s) in MM/DD/YYYY format: _____, Submit a copy of the IRS report(s).

For taxable years 2016 through 2025, if you received a federal imputed underpayment assessment, or you filed an Administrative Adjustment Request that resulted in a federal imputed underpayment assessment, you must file Arizona Form 165PA to report those changes.

K The partnership books are in care of: _____

Located at: _____ Number and street or PO Box City State ZIP Code

L Will a composite return be filed on Form 140NR? (See Instructions) Yes No**M** Marijuana Establishments only: 1 Adult Use only 2 Dual Lic. elected for-profit 3 Dual Lic. did not elect for-profit. 4 NMMD only**N** ADHS Registry Identification Number: _____**Part 1 - Adjustment of Partnership Income From Federal to Arizona Basis**1 Federal ordinary business and rental income (loss) from Form 1065, Schedule K. See instructions..... **1** **00****SCHEDULE A: Additions to Partnership Income**

A1	00
A2	00
A3	00
A4	00

A1 Total federal depreciation**A2** Non-Arizona municipal bond interest**A3** Additions related to Arizona tax credits. See instructions.....**A4** Other additions to partnership income. See instructions.....2 Total additions to partnership income: Add lines A1 through A4. Enter the total. **2** **00**3 Subtotal: Add lines 1 and 2. Enter the total. **3** **00****SCHEDULE B: Subtractions From Partnership Income**

B1	00
B2	00
B3	00
B4	00
B5	00

B1 Recalculated Arizona depreciation. See instructions.....**B2** Basis adjustment for property sold or otherwise disposed of during the taxable year.

See instructions.....

B3 Interest from U.S. government obligations**B4** Agricultural crops charitable contribution. See instructions.....**B5** Other subtractions from partnership income. See instructions.....4 Total subtractions from partnership income: Add lines B1 through B5. Enter the total. **4** **00**5 Partnership income adjusted to Arizona basis: Subtract line 4 from line 3. Enter the difference. **5** **00**6 Net adjustment of partnership income from federal to Arizona basis: Subtract line 1 from line 5. Enter the difference. **6** **00****Penalty**7 Penalty for late filing or incomplete filing. (Information return penalty). See instructions **7** **00**

Name (as shown on page 1)	EIN
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Part 2 - Calculation of Partnership Tax to be Paid at the Entity Level - Complete only if the Partnership answered "Yes" to Question A on page 1, or estimated payments were made and the partnership is not claiming the PTE election. See instructions.

Calculation of the income attributable to partners:

8 Enter the amount from line 5.

8	00
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9 Enter the total of all items requiring separate computation.

9	00
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10 Add lines 8 and 9. Enter the total.

10	00
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11 Add lines E1 and E4 in column (c) of Schedule E. Enter the total. This is the total of the distributive shares of all resident individual partners and all resident estate and trust partners that did not opt out of the partnership's election to pay tax at the entity level. (See Instructions)

11	00
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12 Multiply line 10 by line 11. Enter the result. **This is the partnership income attributable to resident individual partners and resident trust and estate partners that did not opt out of the partnership's election to pay tax at the entity level.**

12	00
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13 Add lines E2 and E5 in column (c) of Schedule E. Enter the total. This is the total of the distributive shares of all nonresident individual partners and all nonresident estate and trust partners that did not opt out of the partnership's election to pay tax at the entity level. (See Instructions)

13	00
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14 Multiply line 10 by line 13. Enter the result. **This is the partnership income attributable to nonresident individual partners and nonresident trust and estate partners that did not opt out of the partnership's election to pay tax at the entity level.**

14	00
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15 Enter the distributive share from line E3, column (c) of Schedule E. This is the total of the distributive shares of all part-year resident partners that did not opt out of the partnership's election to pay tax at the entity level. (See Instructions)

15	00
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16 Multiply line 10 by line 15. Enter the result. **This is the partnership income attributable to part-year resident partners that did not opt out of the partnership's election to pay tax at the entity level.**

16	00
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16A Enter the portion of line 16 that all part-year residents earned while residents of Arizona.

16A	00
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16B Enter the portion of line 16 that all part-year residents earned while nonresidents of Arizona.

16B	00
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NOTE: The total of lines 16A and 16B must equal the amount reported on line 16.

17 Enter the distributive share from line E7, column (c) of Schedule E. This is the total of the distributive shares of all partners that opted out of the partnership's election to be taxed at the entity level and entity partners that are not eligible to make the election. (See Instructions)

17	00
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18 Multiply line 10 by line 17. Enter the result. **This is the partnership income attributable to partners that opted out of the partnership's election to pay tax at the entity level and to entities that are not eligible to make that election.**

18	00
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NOTE: The total of lines 12, 14, 16 and 18 must equal the amount reported on line 10.

Calculation of the tax attributable to partners that did not opt out of the PTE election:

19 Add line 12 and line 16A. Enter the total.

19	00
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20 Multiply the amount on line 19 by the PTE tax rate, 2.5% (0.0250) Enter the result. **This is the amount of the tax attributable to resident partners and part-year resident partners (during the period of residency) that did not opt out of the partnership election to pay tax at the entity level**

20	00
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21 Add line 14 and line 16B. Enter the total.

21	00
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22 Enter the Arizona apportionment ratio from Schedule C or Schedule ACA.

22	00
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23 Multiply the amount on line 21 by the decimal on line 22. Enter the result.

23	00
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24 Multiply the amount on line 23 by the PTE tax rate, 2.5% (0.0250). Enter the result. **This is the amount of the tax attributable to nonresident partners and part-year resident partners (during the period of nonresidency) that did not opt out of the partnership election to pay tax at the entity level**

24	00
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Calculation of the Partnership's PTE Tax, Interest and Penalties:

25 Add line 20 and line 24. Enter the total. **This is the total amount of tax owed by the Partnership**

25	00
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26 Extension payment made with Form 120/165EXT

26	00
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27 Estimated Tax Payments

27	00
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28 Amended Returns. Payment made with original return plus all payments made after it was filed

28	00
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29 Subtotal of tax payments. Add lines 26 through 28.

29	00
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30 Overpayments of tax from original return or previously filed amended returns

30	00
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31 Total payments. Subtract line 30 from line 29. Enter the difference.

31	00
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32 Balance of tax due: If line 25 is larger than line 31, subtract line 31 from line 25. Enter the difference.

32	00
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33 Overpayment of tax. If line 31 is larger than 25, subtract line 25 from line 31. Enter the difference.

33	00
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Name (as shown on page 1)	EIN
<i>Calculation of the Partnership's PTE Tax, Interest and Penalties (continued): Complete only if the Partnership answered "Yes" to Question A on page 1, or estimated payments were made and the partnership is not claiming the PTE election. See Instructions.</i>	
34 Penalty and interest.....	34 00
35 Estimated underpayment penalty: If Form 220/PTE is included check this box.....	35 A <input type="checkbox"/>
36 Penalty for Late or Incomplete Filing. (Information Return Penalty.) Enter the amount from line 7.....	36 00
37 Total amount due.....	37 00
38 Overpayment. See instructions.....	38 00
39 Amount of line 38 to be applied to 2025 estimated tax.....	39 00
40 Amount to be refunded. Subtract line 39 from line 38. Enter the difference.....	40 00

SCHEDULE C Apportionment Formula (Multistate Partnerships Only)

IMPORTANT: Qualifying air carriers must use Arizona Schedule ACA. Qualifying Multistate Service Providers must include Arizona Schedule MSP. If the **“SALES FACTOR ONLY”** box on page 1, line F, is checked, complete only Section C3, *Sales Factor, lines a through f*. See instructions.

C1 Property Factor - STANDARD APPORTIONMENT ONLY

Value of real and tangible personal property (by averaging the value of owned property at the beginning and end of the tax period; rented property at capitalized value).

a Owned Property (at original cost):

1 Inventories.....
2 Depreciable assets (do not include construction in progress).....
3 Land.....
4 Other assets (describe): _____
5 Less: Nonbusiness property (if included in above totals).....
6 Total of section a (the sum of lines 1 through 4 less line 5).....

C2 Payroll Factor - STANDARD APPORTIONMENT ONLY

Total wages, salaries, commissions and other compensation to employees (per federal Form 1065, or payroll reports),

C3 Sales Factor

- a** Sales delivered or shipped to Arizona purchasers
- b** Sales from services or from designated intangibles **for qualifying multistate service providers only** (see instructions; include Schedule MSP).....
- c** Other gross receipts
- d** Total sales and other gross receipts (the sum of lines a through c)
- e** Weight AZ sales: (STANDARD x 2; SALES FACTOR ONLY x 1).....
- f** Sales Factor Only (for Column A, multiply line d by line e; for Column B, enter the amount from line d; for Column C, divide Column A by Column B.) Skip line C4 and line C5

STANDARD Apportionment

SALES FACTOR ONLY Apportionment, enter the amount from Column C on Arizona Form 165, Schedule K-1(NR), Part 1, column (b). If the PTE election is made, also enter this amount on Part 2, line 22.

C4 STANDARD Apportionment Total Ratio: Add Column C of lines C1c, C2, and C3f. Enter the total.

C5 Average Apportionment Ratio for STANDARD Apportionment: Divide line C4, Column C, by four (4). Enter the result on Arizona Form 165, Schedule K-1(NR), Part 1, column (b). If the PTE election is made, also enter this result on Part 2, line 22. (If one of the factors is "0" in both Column A and Column B, see instructions.)

Name (as shown on page 1)	EIN
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SCHEDULE D Partner Information

Complete Schedule D for all partners in the partnership. If the partner is a grantor trust or is an SMLLC that is disregarded to an individual taxpayer, see the instructions. If the partnership has more than 10 partners, include additional schedules as necessary.

(a) PTE	(b) Partner Name (Beneficial Owner)	(c) Street Address	(e) Partner Tax Identification Number	(f) Resident (R) Nonresident (N) Part-Yr Res (P) Estate/Trust (E) Other Entity (O)	(g) Partner's Distributive Share (Entered as a decimal.)	(h) Distributive Share of Income Page 1, Line 5. (See Instructions.)
		(d) City, State ZIP				
D1	<input type="checkbox"/>					
D2	<input type="checkbox"/>					
D3	<input type="checkbox"/>					
D4	<input type="checkbox"/>					
D5	<input type="checkbox"/>					
D6	<input type="checkbox"/>					
D7	<input type="checkbox"/>					
D8	<input type="checkbox"/>					
D9	<input type="checkbox"/>					
D10	<input type="checkbox"/>					
Include additional sheets as necessary						

SCHEDULE E Summary of Partner Information -- See Instructions

	(a) Partner Consent to PTE Election	(b) Partner Count	(c) Total of Partners' Distributive Shares (See Instructions)
E1	Individual resident partners who did not opt out of the election.....		
E2	Individual nonresident partners who did not opt out of the election.....		
E3	Individual part-year resident partners who did not opt out of the election.....		
E4	Resident estate and trust partners who did not opt out of the election.....		
E5	Nonresident estate and trust partners who did not opt out of the election.....		
E6	Add lines E1 through E5. Enter the total. These are the totals for the partners who did not opt out of the PTE election.....		
E7	Partners that opted out of the election or are excluded from making the election.....		
E8	Total partner count and total partnership ownership share. Add lines E6 and E7 in columns (b) and (c). Enter the totals. (Column (c) should equal 1.000000.)		

Name (as shown on page 1)	EIN
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SCHEDULE F Schedule of Tax Payments Applied to Partnership PTE Tax Liability

	(a) Payment Date	(b) Estimated Tax Payment		(c) Extension Payment
F1	MM DD YY		00	00
F2	MM DD YY		00	00
F3	MM DD YY		00	00
F4	MM DD YY		00	00
F5	MM DD YY		00	00
F6	MM DD YY		00	00
F7	Total Tax Payments		00	00

SCHEDULE G Business Information

G1. Describe briefly the nature and location(s) of the partnership's Arizona business activities:

G2. Describe briefly the nature and location(s) of the partnership's business activities outside of Arizona:

Declaration	I, the undersigned partner of the partnership for which this return is made, declare under penalty of perjury, that this return, including the accompanying schedules and statements, has been examined by me and is to the best of my knowledge and belief, a correct and complete return, made in good faith, for the taxable year stated pursuant to the income tax laws of the State of Arizona.		
Please Sign Here	PARTNER'S SIGNATURE	DATE	TITLE
	PARTNER'S PRINTED NAME		
Paid Preparer's Use Only	PAID PREPARER'S SIGNATURE	DATE	PAID PREPARER'S TIN
	PAID PREPARER'S PRINTED NAME		
	FIRM'S NAME (OR PAID PREPARER'S NAME, IF SELF-EMPLOYED)	FIRM'S EIN	
	FIRM'S STREET ADDRESS	FIRM'S TELEPHONE NUMBER	
	CITY	STATE	ZIP CODE

This form must be e-filed unless the partnership has a waiver or is exempt from e-filing.
See instructions for details.

Name (as shown on page 1)	EIN	Page _____ of _____
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Adjustment of Partnership Income From Federal to Arizona Basis Continued

SCHEDULE A: Additions to Partnership Income

A3 Additions related to Arizona tax credits:

- A** Agricultural Water Conservation System Credit
- B** Credit for Taxes Paid for Coal Consumed in Generating Electrical Power.....
- C** Credit for Employment of TANF Recipients.....
- D** Agricultural Pollution Control Equipment Credit:
 - 1** Excess Federal Depreciation or Amortization.....
 - 2** Excess in Federal Adjusted Basis.....
- E** Total Additions Related to Arizona Tax Credits:
Enter this amount on page 1, Schedule A, line A3

A4 Other additions to partnership income:

- A** Positive Partnership Income Adjustment.....
- B** Federal Depreciation of Child Care Facilities
- C** Expenditures for the Americans with Disabilities Act.....
- D** Total Other Additions to Partnership Income
Enter this amount on page 1, Schedule A, line A4

A		00
B		00
C		00
D1		00
D2		00
E		00
A		00
B		00
C		00
D		00

SCHEDULE B: Subtractions From Partnership Income

B5 Other subtractions from partnership income:

- A** Negative Partnership Income Adjustment
- B** Mine Exploration Expenses.....
- C** Interest on Federally Taxable Arizona Obligations Evidenced by Bonds.....
- D** Wood Stoves, Wood Fireplaces or Gas-Fired Fireplaces
- E** Expenses Related to Certain Federal Credits:
 - 1** Work Opportunity Credit
 - 2** Empowerment Zone Employment Credit.....
 - 3** Credit for Employer-Paid Social Security Taxes on Employee Cash Tips
 - 4** Indian Employment Credit
- F** Expenditures for the Americans with Disabilities Act.....
- G** Marijuana Establishments Only (see instructions)
Disallow Federal Expenses
- H** Total Other Subtractions from Partnership Income
Enter this amount on page 1, Schedule B, line B5.....

A		00
B		00
C		00
D		00
E1		00
E2		00
E3		00
E4		00
F		00
G		00
H		00