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# Test Package for Electronic Filers of U.S. Return of Partnership Income for Tax Year 2000

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Internal Revenue Service  
Electronic Tax Administration



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Department of the Treasury  
**Internal Revenue Service**

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**[www.irs.gov](http://www.irs.gov)**

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Internal Revenue Service  
Electronic Tax Administration



*The simple and convenient way to file  
your business taxes electronically.*

**ATTENTION**

PUBLICATION 3225, TEST PACKAGE THAT CONTAINS THE SCENARIOS WITH TEXT VERSION, FOR ELECTRONIC FILING OF U.S. RETURN OF PARTNERSHIP INCOME, FORM 1065, WILL BE PROVIDED ON THE ELECTRONIC FILING BULLETIN BOARD.

**THE FORMS AND SCHEDULES USED IN THIS PUBLICATION DO NOT REPRESENT THE FINAL VERSIONS. THE FINAL VERSIONS WERE NOT AVAILABLE AT THE TIME THIS PUBLICATION WAS PRINTED.**

IN ORDER TO RECEIVE THE PRINTED VERSION OF THIS PUBLICATION, YOU MUST PROVIDE THE INFORMATION BELOW:

NAME OF FIRM:	
NAME OF CONTACT:	
TITLE:	
MAILING ADDRESS:	
CITY:	
STATE:	ZIP:
SOFTWARE DEVELOPER: YES	
TRANSMITTER: YES	PREPARER: YES
ETIN:	TELEPHONE:

SEND TO THE FOLLOWING ADDRESS AFTER SEPTEMBER 1, 2000:

INTERNAL REVENUE SERVICE  
MEMPHIS SUBMISSION PROCESSING CENTER  
P.O. BOX 30309 AMF STOP 2711  
MEMPHIS, TN 38130

## **BUSINESS ACCEPTANCE TESTING SYSTEM (BATS) 2000**

### **WHO MUST TEST?**

The Electronic Tax Administration Office requires that all software developers and transmitters perform the tests in this Test Package before they can be accepted as an electronic filer for the Tax Year 2000 filing season. Any one who plans to transmit must test and be accepted.

### **WHY TEST?**

The purpose of testing prior to live processing is to ensure that

- 1) Filers transmit in the correct format and meet the Internal Revenue Service (IRS) electronic filing specifications.
- 2) Returns have few validation or math errors.
- 3) Required fields will post to the IRS master file.
- 4) Filers understand and are familiar with the mechanics of electronic filing.

### **WHAT IS TESTED?**

The test package for the 2000 Business Acceptance Testing System (BATS) consists of twenty (20) return scenarios. The test returns include all forms and schedules accepted for electronic filing. Software developers must transmit a test file with 20 scenarios.

The scenarios provide the information needed to prepare the appropriate forms and schedules; however, computations and data for all lines have not been provided. Therefore, knowledge of tax law and tax preparation is necessary. You must correctly prepare and compute these returns before transmitting the tests.

To eliminate the time spent by IRS staff in reviewing your final transmissions, it will be to your advantage if you use the phrases and abbreviations appearing in the test package, and enter the data in the same order as it appears in the scenario. You must also transmit the test returns in consecutive ascending EIN order. It is important that you enter the correct Return Type and Source Return Indicator.

### **SPECIAL NOTES CONCERNING TEST SCENARIOS**

The Answer File can only provide only one answer for each scenario line item. Since there may be alternative ways to prepare the return, it may be necessary to discuss your method of preparation with the Tax Examiner to resolve any mismatches. Since every conceivable condition cannot be represented in the Test, you may want to test any conditions you feel are appropriate once you have passed the Test. Suggestions for additional scenarios are welcome, and if accepted can be added to the Tax Year 2001 package.

## WHEN TO TEST

When you are ready to test, after December 1, 2000, call the Electronic Filing Unit at Memphis Submission Processing Center, on 901-546-7504 (see Publication 1524 for specific details). A tax examiner will be assigned to assist you in successfully completing the tests.

## REVIEWING ACK FILES AND CORRECTING TESTS

You may transmit as many test transmissions as necessary until you receive no error messages; however, Test **16** will always be rejected. To provide you with experience in reading the Error Records contained in the Acknowledgment File, Test **16** will be rejected with Error Reject Code 432. Field number 0190 of Form 1065 must have the letter, **x** entered. The reject code description identifies a **NO ENTRY FIELD** that must contain no significant data.

While you are solving problems, you may transmit selected returns until you have no rejects. You may modify tests to include only conditions your software will handle. You must inform the Tax Examiners of any forms you do not intend to file so they will understand why the answers do not agree with the Answer File.

## FINAL TRANSMISSION

Once you receive no rejects, other than Test **16**, you will be required to transmit the returns in two separate, same-day transmissions, including the test with the Error Reject Code 432 rejection. You are required to make two separate transmissions in the same day in order to test the ability of your software to increment the transmission sequence number that appears in the TRANA record. Tests 1-10 should be in the first transmission and tests 11-20 in the second transmission.

## REVIEW OF BUSINESS RETURN FILE (BRF) AGAINST BATS ANSWER FILE

The transmitted test file (20 scenarios) will be compared against the **BATS ELF Answer File**. The comparison program checks each byte and prints out the fields that differ. The tax examiner will review the printout and will discuss any problems with you. Some fields will differ and are not considered incorrect, but others must agree exactly, such as EINs, RTNs, or account numbers, etc., and you will be expected to correct the error. When these mismatches are either accepted or corrected, you will pass the test.

**Remember: The Tax Examiner will not run a "Compare" until there are no reject conditions for the test returns (20 scenarios) on the ACK file (with the exception of the forced reject of Test 16).**

## **COMMUNICATIONS TEST FOR THE ELF SYSTEM**

If you are a Transmitter using accepted software, you must complete an error-free communications test by transmitting 5 returns in 2 same-day transmissions (3 returns in one and 2 in another).

### **USING YOUR OWN TEST**

When you have been notified that you have passed the BATS test, you may test with data of your own, provided that you are using your TEST password. You must use the word "TEST" as the first name of the taxpayer and you may use any of the EINs within the test package. DO NOT use any other EINs.

### **TESTING GUIDELINES FOR SOFTWARE DEVELOPERS**

You must advise the Service Center of all limitations to your Software package at time of first contact, before testing begins. The only allowable limitation to software is, Software does not have to provide for all forms or schedules, nor for all occurrences of a particular form or schedule. You must do the complete form with no field limitations except for the number of occurrences.

If your software cannot provide for all occurrences of a particular Form or Schedule or series of fields, as specified in Publications 1524 and 1525, no statement record is allowed.

Your software must be able to create a statement if a statement is necessary to complete a form. You must also advise the Service Center of all names you will be using to market your product.

### **ELECTRONIC FILING BULLETIN BOARD SYSTEM**

The Electronic Filing Bulletin Board System operates seven days a week. The system is unavailable at 4:00 a.m. Eastern Time for about 30-60 minutes for maintenance. This system provides general Electronic Filing Program information as well as specific information concerning changes to this and other publications.

Filers, using an asynchronous modem (14.4 or less) and communication software can access the bulletin board by dialing 606 292-0137

The communication software should have the following protocol: Full Duplex, No parity, 8 data bits, and 1 stop bit.

For additional information and assistance regarding the bulletin board, contact the bulletin board technical staff at 606-292-5031.

## **BUSINESS ACCEPTANCE TESTING SYSTEM (BATS)**

The IRS will only accept the EINs in the test scenarios during Business Acceptance Testing (BATS). They will be rejected if submitted during live processing. The IRS Error Reject Code provided will advise filers that the EIN is not within the valid range of Employer Identification Numbers.

## **HELP**

If you need assistance in formatting and transmitting your returns or have questions regarding the tests, contact the appropriate service center. Suggestions for scenarios are welcome. If you find errors or would like to comment on this Test Package, please write:

Internal Revenue Service  
Electronic Tax Administration  
Diversified Filing  
Attn: Cleveland Bryant  
Program Analyst W:E:DEF:DFB  
C4-278 NCFB  
5000 Ellin Road  
Lanham, MD 20706

**TEST #1**

**FORMS REQUIRED: 1065, 4562, 8826, 2 K-1s (1065)**

**FORM 1065, PAGE 1: IDENTIFYING INFORMATION**

**NAME OF PARTNERSHIP:**

HELPING HANDS HOMES  
1 ANY STREET  
ANYTOWN, MD 20901

**NAME OF PREPARER:**

ELECTRONIC TAX FILERS, INC.  
100 TECHO DRIVE  
RAINTOWN, WA 98530

EIN: 52-0000099  
PREPARER SSN: 001-99-0001

**FORM 1065, PAGE 1:**

**LINE A:** ASSISTED LIVING  
**LINE B:** ASSISTED LIVING  
**LINE C:** 623000  
**LINE D:** 52-0000001  
**LINE E:** 05/15/97  
**LINE H(1):** X  
**LINE 1a:** 225000  
**LINE 9:** 95000  
**LINE 11:** 3500  
**LINE 14:** 10268  
**LINE 15:** 10000

**LINE 20 (STM 01):**

ACCOUNTING	700
ADVERTISING	1000
BANK CHARGES	125
INSURANCE	2500
OFFICE EXPENSE	700
SUPPLIES	12000
TELEPHONE	2500
UTILITIES	3500

**TEST #1 (Continued):**

**FORM 1065, PAGE 2, SCHEDULE A:**

LINE 9d: NO  
LINE 9e: NO

**FORM 1065, PAGE 2, SCHEDULE B:**

LINE 1a: X  
LINE 2: NO  
LINE 3: NO  
LINE 4: NO  
LINE 5: YES  
LINE 6: NO  
LINE 7: NO  
LINE 8: NO  
LINE 9: NO  
LINE 10: NO  
LINE 11: NO  
LINE 12: 0

NAME OF DESIGNATED TMP: BUCK M. DOGGETT  
IDENTIFYING NUMBER OF TMP: 001-01-0001  
ADDRESS OF DESIGNATED TMP: 1 YELLOW ROSE LANE  
ANYTOWN, MO 64114

**FORM 1065, PAGE 3, SCHEDULE K:**

LINE 4a: 825  
LINE 8 (STM 02):  
HEART ASSOCIATION 150  
LINE 13:

**FORM 1065, PAGE 4, SCHEDULE L:**

LINE 1(b): 95000  
LINE 1(d): 45278  
LINE 9a(c): 155000  
LINE 9b(c): 5227  
LINE 11(d): 40000  
LINE 17(b) (STM 03):  
CLIENT DEPOSITS 15000  
LINE 17(d) (STM 04):  
CLIENT DEPOSITS 31396  
LINE 19(d): 125000

**TEST #1 (Continued):**

**FORM 1065, PAGE 4, SCHEDULE M-1:**

**LINE 1:** 78655

**FORM 1065, PAGE 4, SCHEDULE M-2:**

**LINE 1:** 80000

**LINE 3:** 78655

**LINE 6a:** 80000

**FORM 4562:           ACTIVITY TO WHICH THIS FORM RELATES:  
FORM 1065, PAGE 1, LINE 22**

**FORM 4562, PART II:**

**LINE 15h(b):** 01/04/00

**LINE 15h(c):** 150000\*

\*Depreciable basis reduced by \$5,000 "Disabled  
Access Credit"

**FORM 4562, PART V, SECTION C:**

**LINE 35**       NO

**LINE 36**       NO

**LINE 37**       NO

**LINE 38**       NO

**LINE 39**       NO

**FORM 8826:           ACTIVITY TO WHICH THIS FORM RELATES:  
FORM 1065, PAGE 3, LINE 13**

**LINE 1**                               25000

**SCHEDULE K-1 (FORM 1065), #1:**

**PARTNER'S IDENTIFYING NUMBER:** 001-01-0001

**PARTNER'S NAME:** BUCK M. DOGGETT  
**PARTNER'S ADDRESS:** 1 YELLOW ROSE LANE  
ANYTOWN, MO 64114  
TAX MATTERS PARTNER

**LINE A:** GENERAL PARTNER

**LINE B:** INDIVIDUAL

**LINE C:** DOMESTIC

**LINE D(i):** BEFORE CHANGE OR TERMINATION:

**TEST #1 (Continued):**

**SCHEDULE K-1 (FORM 1065), #1 (Continued):**

<b>LINE D(i):</b>	PROFIT SHARING	50.00000%	
	LOSS SHARING	50.00000%	
	OWNERSHIP OF CAPITAL	50.00000%	
<b>LINE D(ii):</b>	END OF YEAR:		
	PROFIT SHARING	50.00000%	
	LOSS SHARING	50.00000%	
	OWNERSHIP OF CAPITAL	50.00000%	
<b>LINE E:</b>	PHILADELPHIA, PA.		
<b>LINE F:</b>	QUALIFIED NONRECOURSE FINANCING		62500
	OTHER		15698
<b>LINE J(a):</b>		40000	
<b>LINE J(c):</b>		39328	
<b>LINE J(d):</b>		40000	
<b>LINE 13 (STM 05):</b>			
	FORM 8826 CREDIT	2500	

**SCHEDULE K-1 (FORM 1065) #2:**

PARTNER'S IDENTIFYING NUMBER: 001-01-0002  
PARTNER'S NAME: DEBORAH M. CAPTAIN  
PARTNER'S ADDRESS: 1 EAGLE'S NEST RUN  
ANYTOWN, CO 54825

<b>LINE A:</b>	GENERAL PARTNER		
<b>LINE B:</b>	INDIVIDUAL		
<b>LINE C:</b>	DOMESTIC		
<b>LINE D(i):</b>	BEFORE CHANGE OR TERMINATION:		
	PROFIT SHARING	50.00000%	
	LOSS SHARING	50.00000%	
	OWNERSHIP OF CAPITAL	50.00000%	
<b>LINE D(ii):</b>	END OF YEAR:		
	PROFIT SHARING	50.00000%	
	LOSS SHARING	50.00000%	
	OWNERSHIP OF CAPITAL	50.00000%	
<b>LINE E:</b>	PHILADELPHIA, PA.		
<b>LINE F:</b>	QUALIFIED NONRECOURSE FINANCING		62500
	OTHER		15698
<b>LINE J(a):</b>		40000	
<b>LINE J(c):</b>		39327	

**TEST #1 (Continued):**

**SCHEDULE K-1 (FORM 1065) #2 (Continued):**

**LINE J(d):** 40000

**LINE 13 (STM 06):**

FORM 8826 CREDIT

2500

# U.S. Return of Partnership Income

For calendar year 2000, or tax year beginning \_\_\_\_\_, 2000, and ending \_\_\_\_\_, 20\_\_\_\_  
▶ See separate instructions.

**2000**

<b>A</b> Principal business activity <b>ASSISTED LIVING</b>	<b>Use the IRS label. Otherwise, please print or type.</b>	Name of partnership <b>HELPING HANDS HOMES</b>	<b>D</b> Employer identification number <b>52:0000001</b>
<b>B</b> Principal product or service <b>ASSISTED LIVING</b>		Number, street, and room or suite no. If a P.O. box, see page 12 of the instructions. <b>1 ANY STREET</b>	<b>E</b> Date business started <b>5/15/97</b>
<b>C</b> Business code number <b>623000</b>		City or town, state, and ZIP code <b>ANYTOWN, MD 20901</b>	<b>F</b> Total assets (see page 12 of the instructions) \$ <b>235,051</b>

**G** Check applicable boxes: (1)  Initial return (2)  Final return (3)  Change in address (4)  Amended return  
**H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_  
**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ 2

**Caution:** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

<b>Income</b>	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b>	<b>225,000</b>		
	<b>b</b> Less returns and allowances. . . . .	<b>1b</b>		<b>1c</b>	<b>225,000</b>
	<b>2</b> Cost of goods sold (Schedule A, line 8) . . . . .	<b>2</b>			
	<b>3</b> Gross profit. Subtract line 2 from line 1c. . . . .	<b>3</b>			<b>225,000</b>
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule). . . . .	<b>4</b>			
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .	<b>5</b>			
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 18. . . . .	<b>6</b>			
	<b>7</b> Other income (loss) (attach schedule). . . . .	<b>7</b>			
<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .	<b>8</b>				<b>225,000</b>
<b>Deductions</b> (see page 14 of the instructions for limitations)	<b>9</b> Salaries and wages (other than to partners) (less employment credits). . . . .	<b>9</b>			<b>95,000</b>
	<b>10</b> Guaranteed payments to partners . . . . .	<b>10</b>			
	<b>11</b> Repairs and maintenance . . . . .	<b>11</b>			<b>3,500</b>
	<b>12</b> Bad debts . . . . .	<b>12</b>			
	<b>13</b> Rent . . . . .	<b>13</b>			
	<b>14</b> Taxes and licenses . . . . .	<b>14</b>			<b>10,268</b>
	<b>15</b> Interest . . . . .	<b>15</b>			<b>10,000</b>
	<b>16a</b> Depreciation (if required, attach Form 4562) . . . . .	<b>16a</b>	<b>5,227</b>		
	<b>b</b> Less depreciation reported on Schedule A and elsewhere on return	<b>16b</b>			<b>5,227</b>
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .	<b>17</b>			
	<b>18</b> Retirement plans, etc. . . . .	<b>18</b>			
	<b>19</b> Employee benefit programs . . . . .	<b>19</b>			
	<b>20</b> Other deductions (attach schedule) . . . . .	<b>20</b>			<b>23,025</b>
<b>21 Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20 . . . . .	<b>21</b>				<b>147,020</b>
<b>22 Ordinary income (loss)</b> from trade or business activities. Subtract line 21 from line 8 . . . . .	<b>22</b>				<b>77,980</b>

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

**Please Sign Here**

▶ Signature of general partner or limited liability company member      ▶ Date

**Paid Preparer's Use Only**

Preparer's signature ▶      Date      Check if self-employed       Preparer's SSN or PTIN **001-99-0001**

Firm's name (or yours if self-employed), address, and ZIP code ▶ **ELETRONIC TAX FILERS, INC**      EIN ▶ **52:0000099**

**100 TECO DRIVE RAIN TOWN, WA 98530**      Phone no. (      )

**Schedule A Cost of Goods Sold** (see page 17 of the instructions)

1	Inventory at beginning of year . . . . .	1		
2	Purchases less cost of items withdrawn for personal use . . . . .	2		
3	Cost of labor . . . . .	3		
4	Additional section 263A costs (attach schedule) . . . . .	4		
5	Other costs (attach schedule) . . . . .	5		
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6		
7	Inventory at end of year . . . . .	7		
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8		

- 9a Check all methods used for valuing closing inventory:
- (i)  Cost as described in Regulations section 1.471-3
  - (ii)  Lower of cost or market as described in Regulations section 1.471-4
  - (iii)  Other (specify method used and attach explanation) ▶ .....
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c). . . . ▶
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . ▶
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? . .  Yes  No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information**

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input checked="" type="checkbox"/> Domestic general partnership		
b <input type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶ .....		
2 Are any partners in this partnership also partnerships? . . . . .		X
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment . . . . .		X
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see <b>Designation of Tax Matters Partner</b> below . . . . .		X
5 Does this partnership meet <b>all three</b> of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000; <b>and</b>		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 . . . . .	X	
6 Does this partnership have any foreign partners? . . . . .		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? . . . . .		X
8 Has this partnership filed, or is it required to file, <b>Form 8264</b> , Application for Registration of a Tax Shelter? . . . . .		X
9 At any time during calendar year 2000, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 18 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶ .....		X
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 18 of the instructions . . . . .		X
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under <b>Elections Made By the Partnership</b> on page 7 of the instructions . . . . .		X
12 Enter the number of Forms 8865 attached to this return ▶ .....		0

**Designation of Tax Matters Partner** (see page 18 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶	<b>BUCK M. DOGGETT</b>	Identifying number of TMP ▶	<b>001-01-0001</b>
Address of designated TMP ▶	<b>1 YELLOW ROSE LANE ANYTOWN, MO 64114</b>		

**Schedule K Partners' Shares of Income, Credits, Deductions, etc.**

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 22)	1	77,980
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):	4a	825
	a	Interest income	4b	
	b	Ordinary dividends	4c	
	c	Royalty income	4d	
	d	Net short-term capital gain (loss) (attach Schedule D (Form 1065))		
	e	Net long-term capital gain (loss) (attach Schedule D (Form 1065)):		
	(1)	28% rate gain (loss)	4e(2)	
	(2)	Total for year	4f	
5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	150
	9	Section 179 expense deduction (attach Form 4562)	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12a(1)	
	(2)	Other than on line 12a(1) for property placed in service before 1990	12a(2)	
	(3)	From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12a(3)	
	(4)	Other than on line 12a(3) for property placed in service after 1989	12a(4)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
	d	Credits related to other rental activities	12d	
13	Other credits	13	5,000	
Investment Interest	14a	Interest expense on investment debts	14a	
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	825
	(2)	Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	77,980
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	225,000
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	1,633
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d (1)	Gross income from oil, gas, and geothermal properties	16d(1)	
	(2)	Deductions allocable to oil, gas, and geothermal properties	16d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession		
	b	Total gross income sourced at partner level	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
	(1)	U.S. source and listed categories	17c(3)	
	(2)	Passive		
	(3)	General limitation		
	d	Deductions allocated and apportioned at partner level:		
	(1)	Interest expense	17d(2)	
(2)	Other			
e	Deductions allocated and apportioned at partnership level (attach schedule):			
(1)	U.S. source and listed categories	17e(3)		
(2)	Passive			
(3)	General limitation			
f	Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17f		
g	Reduction in taxes available for credit (attach schedule)	17g		
Other	18	Section 59(e)(2) expenditures: a Type b Amount	18b	
	19	Tax-exempt interest income	19	
	20	Other tax-exempt income	20	
	21	Nondeductible expenses	21	
	22	Distributions of money (cash and marketable securities)	22	80,000
	23	Distributions of property other than money	23	
	24	Other items and amounts required to be reported separately to partners (attach schedule)		

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17f, and 18b . . . . .						1	78,655
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners		78,655					
b Limited partners							

**Schedule L Balance Sheets per Books** (Not required if Question 5 on Schedule B is answered "Yes.")

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash . . . . .		95,000		45,278
2a Trade notes and accounts receivable . . . . .				
b Less allowance for bad debts . . . . .				
3 Inventories . . . . .				
4 U.S. government obligations . . . . .				
5 Tax-exempt securities . . . . .				
6 Other current assets (attach schedule) . . . . .				
7 Mortgage and real estate loans . . . . .				
8 Other investments (attach schedule) . . . . .				
9a Buildings and other depreciable assets . . . . .			155,000	
b Less accumulated depreciation . . . . .			5,227	149,773
10a Depletable assets . . . . .				
b Less accumulated depletion . . . . .				
11 Land (net of any amortization) . . . . .				40,000
12a Intangible assets (amortizable only). . . . .				
b Less accumulated amortization . . . . .				
13 Other assets (attach schedule) . . . . .				
14 <b>Total assets</b> . . . . .		95,000		235,051
<b>Liabilities and Capital</b>				
15 Accounts payable . . . . .				
16 Mortgages, notes, bonds payable in less than 1 year . . . . .				
17 Other current liabilities (attach schedule) . . . . .		15,000		31,396
18 All nonrecourse loans . . . . .				
19 Mortgages, notes, bonds payable in 1 year or more . . . . .				125,000
20 Other liabilities (attach schedule) . . . . .				
21 Partners' capital accounts . . . . .		80,000		78,655
22 <b>Total liabilities and capital</b> . . . . .		95,000		235,051

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return** (Not required if Question 5 on Schedule B is answered "Yes." See page 29 of the instructions.)

1 Net income (loss) per books . . . . .	78,655	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): . . . . .		a Tax-exempt interest \$ . . . . .	
3 Guaranteed payments (other than health insurance) . . . . .		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17f, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17f, and 18b (itemize):		a Depreciation \$ . . . . .	
a Depreciation \$ . . . . .		8 Add lines 6 and 7 . . . . .	
b Travel and entertainment \$ . . . . .		9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 . . . . .	78,655
5 Add lines 1 through 4 . . . . .	78,655		

**Schedule M-2 Analysis of Partners' Capital Accounts** (Not required if Question 5 on Schedule B is answered "Yes.")

1 Balance at beginning of year . . . . .	80,000	6 Distributions: a Cash . . . . .	80,000	80,000
2 Capital contributed during year . . . . .		b Property . . . . .		
3 Net income (loss) per books . . . . .	78,655	7 Other decreases (itemize): . . . . .		
4 Other increases (itemize): . . . . .		8 Add lines 6 and 7 . . . . .		80,000
5 Add lines 1 through 4 . . . . .	158,655	9 Balance at end of year. Subtract line 8 from line 5 . . . . .		78,655



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-01-0001  
 Partner's name, address, and ZIP code # 1  
**BUCK M. DOGETT**  
**1 YELLOW ROSE LANE**  
**ANYTOWN, MO 64114**

**Partnership's identifying number** ▶ 52:0000001  
 Partnership's name, address, and ZIP code  
**HELPING HANDS HOMES**  
**1 ANY STREET**  
**ANYTOWN, MO 20901**

**A** This partner is a  general partner  limited partner  
 limited liability company member  
**B** What type of entity is this partner? ▶ **INDIVIDUAL**  
**C** Is this partner a  domestic or a  foreign partner?  
**D** Enter partner's percentage of:  
 Profit sharing . . . . . **50.0000** % **50.0000** %  
 Loss sharing . . . . . **50.0000** % **50.0000** %  
 Ownership of capital . . . . . **50.0000** % **50.0000** %  
**E** IRS Center where partnership filed return **PHILADELPHIA**

**F** Partner's share of liabilities (see instructions):  
 Nonrecourse . . . . . \$  
 Qualified nonrecourse financing . . . . . \$ **62,500**  
 Other . . . . . \$ **15,698**  
**G** Tax shelter registration number . . . . .  
**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .   
**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
40,000		39,328	( 40,000 )	39,328

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Income (Loss)	1 Ordinary income (loss) from trade or business activities . . . . .	1 38,990	See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2	
	3 Net income (loss) from other rental activities . . . . .	3	
	4 Portfolio income (loss):		Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	a Interest . . . . .	4a 413	
	b Ordinary dividends . . . . .	4b	
	c Royalties . . . . .	4c	
d Net short-term capital gain (loss) . . . . .	4d		
e Net long-term capital gain (loss):			
(1) 28% rate gain (loss) . . . . .	e(1)	Sch. D, line 12, col. (g) Sch. D, line 12, col. (f)	
(2) Total for year. . . . .	e(2)		
f Other portfolio income (loss) (attach schedule) . . . . .	4f	Enter on applicable line of your return.	
5 Guaranteed payments to partner . . . . .	5		
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6	See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
7 Other income (loss) (attach schedule) . . . . .	7		
Deductions	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8 75	Sch. A, line 15 or 16
	9 Section 179 expense deduction . . . . .	9	
	10 Deductions related to portfolio income (attach schedule) . . . . .	10	See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	11 Other deductions (attach schedule) . . . . .	11	
Credits	12a Low-income housing credit:		Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b	See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
	d Credits related to other rental activities . . . . .	12d	
13 Other credits . . . . .	13 2,500		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1) 413	
	b (2)	Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a 38,990	Sch. SE, Section A or B See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Gross farming or fishing income . . . . .	15b	
	c	Gross nonfarm income . . . . .	15c 112,500	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a 817	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b	Adjusted gain or loss . . . . .	16b	
	c	Depletion (other than oil and gas) . . . . .	16c	
	d (1)	Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	d (2)	Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
e	Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶ . . . . .	17a	Form 1116, Part I  Form 1116, Part II  Form 1116, Part III and Instructions for Form 1116.
	b	Total gross income sourced at partner level . . . . .	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
	(1)	U.S. source and listed categories . . . . .	17c(1)	
	(2)	Passive . . . . .	17c(2)	
	(3)	General limitation . . . . .	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
	(1)	Interest expense . . . . .	17d(1)	
	(2)	Other . . . . .	17d(2)	
	e	Deductions allocated and apportioned at partnership level (attach schedule):		
	(1)	U.S. source and listed categories . . . . .	17e(1)	
(2)	Passive . . . . .	17e(2)		
(3)	General limitation . . . . .	17e(3)		
f	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	18	Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Amount . . . . .	18b	
	19	Tax-exempt interest income . . . . .	19	Form 1040, line 8b
	20	Other tax-exempt income . . . . .	20	See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	21	Nondeductible expenses . . . . .	21	
	22	Distributions of money (cash and marketable securities) . . . . .	22 40,000	
	23	Distributions of property other than money . . . . .	23	Form 8611, line 8
	24	Recapture of low-income housing credit:		
a	From section 42(j)(5) partnerships . . . . .	24a		
b	Other than on line 24a . . . . .	24b		
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
		LINE 8 - CHARITABLE CONTRIBUTIONS:		
		HEART ASSOCIATION	75	
		TOTAL	75	
		LINE 13- OTHER CREDITS		
		FORM 8826 - DISABLE ACCESS CREDIT	2,500	
		TOTAL	2,500	
		ITEM J(C)- CAPITAL ACCOUNT ADJUSTMENTS		
		ORDINARY INCOME (LOSS)	38,990	
		INTEREST	413	
	CHARITABLE CONTRIBUTIONS	(75)		
	TOTAL	39,328		



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-01-0002

**Partnership's identifying number** ▶ 52:0000001

Partner's name, address, and ZIP code # 2

Partnership's name, address, and ZIP code

DEBORAH M. CAPTAIN  
1 EAGLE'S NEST RUN  
ANYTOWN, CO 54852

HELPING HANDS HOMES  
1 ANY STREET  
ANYTOWN, MD 20901

**A** This partner is a  general partner  limited partner  
 limited liability company member

**F** Partner's share of liabilities (see instructions):  
Nonrecourse . . . . . \$ .....  
Qualified nonrecourse financing . . . . . \$ 62,500  
Other . . . . . \$ 15,698

**B** What type of entity is this partner? ▶ INDIVIDUAL

**C** Is this partner a  domestic or a  foreign partner?

**D** Enter partner's percentage of: (i) Before change or termination (ii) End of year

Profit sharing . . . . . 50.0000 % 50.0000 %  
Loss sharing . . . . . 50.0000 % 50.0000 %  
Ownership of capital . . . . . 50.0000 % 50.0000 %

**G** Tax shelter registration number . . . . .

**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .

**E** IRS Center where partnership filed return: PHILADELPHIA

**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
40,000		39,327	( 40,000 )	39,327

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	1 Ordinary income (loss) from trade or business activities . . . . .	1 38,990	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2	
	3 Net income (loss) from other rental activities . . . . .	3	
	4 Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	a Interest . . . . .	4a 412	
	b Ordinary dividends . . . . .	4b	
	c Royalties . . . . .	4c	
	d Net short-term capital gain (loss) . . . . .	4d	
	e Net long-term capital gain (loss):		
	(1) 28% rate gain (loss) . . . . .	e(1)	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	(2) Total for year. . . . .	e(2)	
	f Other portfolio income (loss) (attach schedule) . . . . .	4f	} Enter on applicable line of your return.
	5 Guaranteed payments to partner . . . . .	5	
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
7 Other income (loss) (attach schedule) . . . . .	7		
<b>Deductions</b>	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8 75	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	9 Section 179 expense deduction . . . . .	9	
	10 Deductions related to portfolio income (attach schedule) . . . . .	10	
	11 Other deductions (attach schedule) . . . . .	11	
<b>Credits</b>	12a Low-income housing credit:		} Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
	d Credits related to other rental activities . . . . .	12d	
13 Other credits . . . . .	13 2,500		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:	
Investment Interest	<b>14a</b>	Interest expense on investment debts . . . . .	<b>14a</b>	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	<b>b (1)</b>	Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	<b>b(1)</b> 412		
	<b>(2)</b>	Investment expenses included on line 10 . . . . .	<b>b(2)</b>		
Self-employment	<b>15a</b>	Net earnings (loss) from self-employment . . . . .	<b>15a</b> 38,990	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	<b>b</b>	Gross farming or fishing income . . . . .	<b>15b</b>		
	<b>c</b>	Gross nonfarm income . . . . .	<b>15c</b> 112,500		
Adjustments and Tax Preference Items	<b>16a</b>	Depreciation adjustment on property placed in service after 1986 . . . . .	<b>16a</b> 816	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.	
	<b>b</b>	Adjusted gain or loss . . . . .	<b>16b</b>		
	<b>c</b>	Depletion (other than oil and gas) . . . . .	<b>16c</b>		
	<b>d (1)</b>	Gross income from oil, gas, and geothermal properties . . . . .	<b>d(1)</b>		
	<b>(2)</b>	Deductions allocable to oil, gas, and geothermal properties . . . . .	<b>d(2)</b>		
<b>e</b>	Other adjustments and tax preference items (attach schedule)	<b>16e</b>			
Foreign Taxes	<b>17a</b>	Name of foreign country or U.S. possession ▶ . . . . .	<b>17a</b>	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.	
	<b>b</b>	Total gross income sourced at partner level . . . . .	<b>17b</b>		
	<b>c</b>	Total gross income sourced at partnership level (attach schedule):			
		<b>(1)</b>	U.S. source and listed categories . . . . .		<b>17c(1)</b>
		<b>(2)</b>	Passive . . . . .		<b>17c(2)</b>
	<b>(3)</b>	General limitation . . . . .	<b>17c(3)</b>		
		<b>d</b>	Deductions allocated and apportioned at partner level:		
			<b>(1)</b>		Interest expense . . . . .
	<b>(2)</b>	Other . . . . .	<b>17d(2)</b>		
	<b>e</b>	Deductions allocated and apportioned at partnership level (attach schedule):			
		<b>(1)</b>	U.S. source and listed categories . . . . .		<b>17e(1)</b>
<b>(2)</b>		Passive . . . . .	<b>17e(2)</b>		
<b>(3)</b>	General limitation . . . . .	<b>17e(3)</b>			
<b>f</b>	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	<b>17f</b>			
<b>g</b>	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .				
Other	<b>18</b>	Section 59(e)(2) expenditures: <b>a</b> Type ▶ . . . . .	<b>18a</b>	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	<b>b</b>	Amount . . . . .	<b>18b</b>		
	<b>19</b>	Tax-exempt interest income . . . . .	<b>19</b>	} Form 1040, line 8b	
	<b>20</b>	Other tax-exempt income . . . . .	<b>20</b>		
	<b>21</b>	Nondeductible expenses . . . . .	<b>21</b>	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).	
	<b>22</b>	Distributions of money (cash and marketable securities) . . . . .	<b>22</b> 40,000		
	<b>23</b>	Distributions of property other than money . . . . .	<b>23</b>		
<b>24</b>	Recapture of low-income housing credit:				
	<b>a</b>	From section 42(j)(5) partnerships . . . . .	<b>24a</b>	} Form 8611, line 8	
<b>b</b>	Other than on line 24a . . . . .	<b>24b</b>			
Supplemental Information	<b>25</b>	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):			
		<b>LINE 8- CHARITABLE CONTRIBUTIONS:</b>			
		HEART ASSOCIATION	75		
		TOTAL	75		
		<b>LINE 13 - OTHER CREDITS</b>			
		FORM 8826 - DISABLED ACCESS CREDIT	2,500		
		TOTAL	2,500		
		<b>ITEM J(C)- CAPITAL ACCOUNT ADJUSTMENTS</b>			
		ORDINARY INCOME (LOSS)	38,990		
		INTEREST	412		
	CHARITABLE CONTRIBUTION	(75)			
	TOTAL	39,327			



**TEST # 2**

**FORMS REQUIRED: 1065, D (1065), 4562, 2 K-1s (1065)**

**FORM 1065, PAGE1: IDENTIFYING INFORMATION**

**NAME OF PARTNERSHIP:**

KNOWITALL CONSULTANTS PARTNERSHIP  
2 ANY STREET  
ANYTOWN, PA 17312

**NAME OF PREPARER:**

ELECTRONIC TAX FILERS, INC.  
100 TECHO DRIVE  
RAINTOWN, WA 98530  
EIN: 52-0000099  
PREPARER SSN: 001-99-0001

**FORM 1065, PAGE 1:**

**LINE A:** CONSULTING  
**LINE B:** INFORMATION  
**LINE C:** 541512  
**LINE D:** 52-0000002  
**LINE E:** 06/19/77  
**LINE H(2):** X  
**LINE 1(a):** 2595625  
**LINE 1(b):** 45805  
**LINE 9:** 1485488  
**LINE 11:** 35406  
**LINE 12:** 6600  
**LINE 13:** 104500  
**LINE 14:** 130585  
**LINE 18:** 120565  
**LINE 19:** 51668

**LINE 20 - OTHER DEDUCTIONS(STM 01):**

COMPUTER SOFTWARE	14712
LEGAL AND ACCOUNTING	111654
MEALS AND ENTERTAINMENT (BEFORE LIMITATION)	5778
OFFICE EXPENSES	95141

**FORM 1065, PAGE 2, SCHEDULE A:**

**LINE 9d:** No  
**LINE 9e:** No

**TEST #2 (Continued):**

**FORM 1065, PAGE 2, SCHEDULE B:**

LINE 1a: X  
LINE 2: NO  
LINE 3: NO  
LINE 4: NO  
LINE 5: NO  
LINE 6: NO  
LINE 7: NO  
LINE 8: NO  
LINE 9: NO  
LINE 10: NO  
LINE 11: NO  
LINE 12: 0

NAME OF DESIGNATED TMP:  
IDENTIFYING NUMBER OF TMP:  
ADDRESS OF DESIGNATED TMP:

CHARLES HOGAN  
001-02-0001  
542 HALIFAX DRIVE  
ANYTOWN, PA 17320

**FORM 1065, PAGE 3, SCHEDULE K:**

LINE 4(a): 2657  
LINE 4(b): 4969

**FORM 1065, PAGE 4, SCHEDULE L:**

LINE 1(b): 95518  
LINE 1(d): 146198  
LINE 2a(a): 175685  
LINE 2a(c): 201410  
LINE 2b(a): 2107  
LINE 2b(c): 2000  
LINE 4(b): 300000  
LINE 4(d): 320000  
LINE 5(b): 56500  
LINE 5(d): 45000

**LINE 6(b) (STM 02):**

PREPAID OFFICE INSURANCE 10875  
DUE FROM RELATED PARTIES 22339  
ACCRUED INTEREST RECEIVABLE 428  
DIVIDENDS RECEIVABLE 515

**TEST #2 (Continued):**

**FORM 1065, PAGE 4, SCHEDULE L (Continued):**

**LINE 6(d) (STM 03):**

PREPAID OFFICE INSURANCE	11540
DUE FROM RELATED PARTIES	18588
ACCRUED INTEREST RECEIVABLE	460
DIVIDENDS RECEIVABLE	822

**LINE 8(b) (STM 04):**

CORPORATE STOCKS	205000
CORPORATE BONDS	185000

**LINE 8(d) (STM 05):**

CORPORATE STOCKS	234550
CORPORATE BONDS	185000

**LINE 9a(a):** 245287

**LINE 9a(c):** 261405

**LINE 9b(a):** 57089

**LINE 9b(c):** 113474

**LINE 12a(a):** 25000

**LINE 12a(c):** 25000

**LINE 12b(a):** 19500

**LINE 12b(c):** 20500

**LINE 13(b) (STM 06):**

SECURITY DEPOSITS - OFFICE	2000
UTILITY DEPOSITS	84855

**LINE 13(d) (STM 07):**

SECURITY DEPOSITS - OFFICE	2000
UTILITY DEPOSITS	88256

**LINE 15(b):** 155750

**LINE 15(d):** 135740

**LINE 17(b) (STM 08):**

ACCRUED SALARIES	19445
PAYROLL TAXES PAYABLE	13240
CLIENT RETAINER FEES	12750

**LINE 17(d) (STM 09):**

ACCRUED SALARIES	24205
PAYROLL TAXES PAYABLE	13875
CLIENT RETAINER FEES	9850

**TEST #2 (Continued):**

**FORM 1065, PAGE 4, SCHEDULE M-1:**

LINE 1: 341464  
LINE 4b: 2889

**FORM 1065, PAGE 4, SCHEDULE M-2:**

LINE 1: 1129121  
LINE 3: 341464  
LINE 6a: 250000

**SCHEDULE D (FORM 1065), PART II:**

LINE 6(a): 500 SH IBM  
LINE 6(b): 12/20/96  
LINE 6(c): 12/15/00  
LINE 6(d): 51300  
LINE 6(e): 47800

**FORM 4562: ACTIVITY TO WHICH THIS FORM RELATES  
FORM 1065, LINE 22**

**FORM 4562, PART I:**

LINE 2: 16118  
LINE 6(a): COMPUTER EQUIPMENT  
LINE 6(b): 16118  
LINE 6(c): 16118

**FORM 4562, PART III:**

LINE 17: 40267

**FORM 4562, PART V, SECTION C:**

LINE 35 NO  
LINE 36 NO  
LINE 37 NO  
LINE 38 NO  
LINE 39 NO

**FORM 4562, PART VI:**

LINE 41: 1000

**SCHEDULE K-1 (FORM 1065) #1:**

PARTNER'S IDENTIFYING NUMBER: 001-02-0001  
PARTNER'S NAME: CHARLES HOGAN  
PARTNER'S ADDRESS: 542 HALIFAX DRIVE  
ANYTOWN, PA 17320

**TEST #2 (Continued):**

**SCHEDULE K-1 (FORM 1065) #1 (Continued):**

**LINE A:** GENERAL PARTNER  
**LINE B:** INDIVIDUAL  
**LINE C:** DOMESTIC  
**LINE D(i):** PROFIT SHARING 60.00000%  
LOSS SHARING 60.00000%  
OWNERSHIP OF CAPITAL 60.00000%  
**LINE D(ii):** PROFIT SHARING 60.00000%  
LOSS SHARING 60.00000%  
OWNERSHIP OF CAPITAL 60.00000%  
**LINE E:** PHILADELPHIA, PA.  
**LINE F:** OTHER 110202  
**LINE J(a):** 725406  
**LINE J(b):** 0  
**LINE J(c):** 204878  
**LINE J(d):** 150000

**SCHEDULE K-1 (FORM 1065) #2:**

PARTNER'S IDENTIFYING NUMBER: 001-02-0002  
PARTNER'S NAME: JACK BURWELL  
PARTNER'S ADDRESS: 2582 WILSON AVENUE  
ANYTOWN, PA 17330  
**LINE A:** GENERAL PARTNER  
**LINE B:** INDIVIDUAL  
**LINE C:** DOMESTIC  
**LINE D(i):** PROFIT SHARING 40.00000%  
LOSS SHARING 40.00000%  
OWNERSHIP OF CAPITAL 40.00000%  
**LINE D(ii):** PROFIT SHARING 40.00000%  
LOSS SHARING 40.00000%  
OWNERSHIP OF CAPITAL 40.00000%  
**LINE E:** PHILADELPHIA, PA.  
**LINE F:** OTHER 73468  
**LINE J(a):** 403715  
**LINE J(b):** 0  
**LINE J(c):** 136586  
**LINE J(d):** 100000

# U.S. Return of Partnership Income

OMB No. 1545-0099

For calendar year 2000, or tax year beginning \_\_\_\_\_, 2000, and ending \_\_\_\_\_, 20\_\_\_\_  
▶ See separate instructions.

**2000**

<b>A</b> Principal business activity <b>CONSULTING</b>	<b>Use the IRS label. Otherwise, please print or type.</b>	Name of partnership <b>KNOWITALL CONSULTANTS PARTNERSHIP</b>	<b>D</b> Employer identification number <b>520000002</b>
<b>B</b> Principal product or service <b>INFORMATION</b>		Number, street, and room or suite no. If a P.O. box, see page 12 of the instructions. <b>2 ANY STREET</b>	<b>E</b> Date business started <b>6/19/77</b>
<b>C</b> Business code number <b>541512</b>		City or town, state, and ZIP code <b>ANYTOWN, PA 17312</b>	<b>F</b> Total assets (see page 12 of the instructions) \$ <b>1,404,255</b>

**G** Check applicable boxes: (1)  Initial return (2)  Final return (3)  Change in address (4)  Amended return  
**H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_  
**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ \_\_\_\_\_ **2**

**Caution:** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

<b>Income</b>	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b>	<b>2,595,625</b>		
	<b>b</b> Less returns and allowances. . . . .	<b>1b</b>	<b>45,805</b>	<b>1c</b>	<b>2,549,820</b>
	<b>2</b> Cost of goods sold (Schedule A, line 8) . . . . .	<b>2</b>			
	<b>3</b> Gross profit. Subtract line 2 from line 1c. . . . .	<b>3</b>			<b>2,549,820</b>
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule). . . . .	<b>4</b>			
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .	<b>5</b>			
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 18. . . . .	<b>6</b>			
	<b>7</b> Other income (loss) (attach schedule). . . . .	<b>7</b>			
<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .	<b>8</b>				<b>2,549,820</b>
<b>Deductions</b> (see page 14 of the instructions for limitations)	<b>9</b> Salaries and wages (other than to partners) (less employment credits). . . . .	<b>9</b>			<b>1,485,488</b>
	<b>10</b> Guaranteed payments to partners . . . . .	<b>10</b>			
	<b>11</b> Repairs and maintenance . . . . .	<b>11</b>			<b>35,406</b>
	<b>12</b> Bad debts . . . . .	<b>12</b>			<b>6,600</b>
	<b>13</b> Rent . . . . .	<b>13</b>			<b>104,500</b>
	<b>14</b> Taxes and licenses . . . . .	<b>14</b>			<b>130,585</b>
	<b>15</b> Interest . . . . .	<b>15</b>			
	<b>16a</b> Depreciation (if required, attach Form 4562) . . . . .	<b>16a</b>	<b>40,267</b>		
	<b>b</b> Less depreciation reported on Schedule A and elsewhere on return	<b>16b</b>		<b>16c</b>	<b>40,267</b>
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .	<b>17</b>			
	<b>18</b> Retirement plans, etc. . . . .	<b>18</b>			<b>120,565</b>
	<b>19</b> Employee benefit programs . . . . .	<b>19</b>			<b>51,668</b>
	<b>20</b> Other deductions (attach schedule) . . . . .	<b>20</b>			<b>225,396</b>
<b>21 Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20 . . . . .	<b>21</b>				<b>2,200,475</b>
<b>22 Ordinary income (loss)</b> from trade or business activities. Subtract line 21 from line 8 . . . . .	<b>22</b>				<b>349,345</b>

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

**Please Sign Here**

Signature of general partner or limited liability company member \_\_\_\_\_ Date \_\_\_\_\_

**Paid Preparer's Use Only**

Preparer's signature \_\_\_\_\_ Date \_\_\_\_\_ Check if self-employed  Preparer's SSN or PTIN **001-99-0001**

Firm's name (or yours if self-employed), address, and ZIP code **ELECTRONIC TAX FILERS, INC.** EIN **520000099**  
**100 TECHO DRIVE RAIN TOWN, WA 98530** Phone no. ( ) \_\_\_\_\_

**Schedule A Cost of Goods Sold** (see page 17 of the instructions)

1	Inventory at beginning of year . . . . .	1		
2	Purchases less cost of items withdrawn for personal use . . . . .	2		
3	Cost of labor . . . . .	3		
4	Additional section 263A costs (attach schedule) . . . . .	4		
5	Other costs (attach schedule) . . . . .	5		
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6		
7	Inventory at end of year . . . . .	7		
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8		

- 9a Check all methods used for valuing closing inventory:
- (i)  Cost as described in Regulations section 1.471-3
  - (ii)  Lower of cost or market as described in Regulations section 1.471-4
  - (iii)  Other (specify method used and attach explanation) ▶ .....
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c). . . . ▶
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . ▶
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? . .  Yes  No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information**

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input checked="" type="checkbox"/> Domestic general partnership		
b <input type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶ .....		
2 Are any partners in this partnership also partnerships? . . . . .		X
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment . . . . .		X
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see <b>Designation of Tax Matters Partner</b> below . . . . .		X
5 Does this partnership meet <b>all three</b> of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000; <b>and</b>		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 . . . . .		X
6 Does this partnership have any foreign partners? . . . . .		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? . . . . .		X
8 Has this partnership filed, or is it required to file, <b>Form 8264</b> , Application for Registration of a Tax Shelter? . . . . .		X
9 At any time during calendar year 2000, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 18 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶ .....		X
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 18 of the instructions . . . . .		X
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under <b>Elections Made By the Partnership</b> on page 7 of the instructions . . . . .		X
12 Enter the number of Forms 8865 attached to this return ▶ .....		0

**Designation of Tax Matters Partner** (see page 18 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶ **CHARLES HOGAN** Identifying number of TMP ▶ **001-02-0001**

Address of designated TMP ▶ **542 HALIFAX DRIVE**  
**ANYTOWN, PA 17320**

**Schedule K Partners' Shares of Income, Credits, Deductions, etc.**

		(a) Distributive share items	(b) Total amount		
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 22)	1	349,345	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2		
	3a	Gross income from other rental activities	3a		
		b	Expenses from other rental activities (attach schedule)	3b	
	c		Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss): a Interest income	4a	2,657	
		b Ordinary dividends	4b	4,969	
		c Royalty income	4c		
		d Net short-term capital gain (loss) (attach Schedule D (Form 1065))	4d		
		e	Net long-term capital gain (loss) (attach Schedule D (Form 1065)):		
			(1) 28% rate gain (loss) (2) Total for year	4e(2)	3,500
	f	Other portfolio income (loss) (attach schedule)	4f		
	5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6			
7	Other income (loss) (attach schedule)	7			
Deductions	8	Charitable contributions (attach schedule)	8		
	9	Section 179 expense deduction (attach Form 4562)	9	16,118	
	10	Deductions related to portfolio income (itemize)	10		
	11	Other deductions (attach schedule)	11		
Credits	12a	Low-income housing credit:			
	(1)	From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12a(1)		
	(2)	Other than on line 12a(1) for property placed in service before 1990	12a(2)		
	(3)	From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12a(3)		
	(4)	Other than on line 12a(3) for property placed in service after 1989	12a(4)		
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b		
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c		
	d	Credits related to other rental activities	12d		
13	Other credits	13			
Investment Interest	14a	Interest expense on investment debts	14a		
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	7,626	
		(2) Investment expenses included on line 10 above	14b(2)		
Self-Employment	15a	Net earnings (loss) from self-employment	15a	349,345	
	b	Gross farming or fishing income	15b		
		Gross nonfarm income	15c	2,549,820	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a		
	b	Adjusted gain or loss	16b		
	c	Depletion (other than oil and gas)	16c		
	d	(1) Gross income from oil, gas, and geothermal properties	16d(1)		
		(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)		
	e	Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a	Name of foreign country or U.S. possession			
	b	Total gross income sourced at partner level	17b		
	c	Total gross income sourced at partnership level (attach schedule):			
		(1) U.S. source and listed categories (2) Passive (3) General limitation	17c(3)		
		d	Deductions allocated and apportioned at partner level:		
	(1)	Interest expense (2) Other	17d(2)		
	e	Deductions allocated and apportioned at partnership level (attach schedule):			
		(1) U.S. source and listed categories (2) Passive (3) General limitation	17e(3)		
f	Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17f			
g	Reduction in taxes available for credit (attach schedule)	17g			
Other	18	Section 59(e)(2) expenditures: a Type b Amount	18b		
	19	Tax-exempt interest income	19		
	20	Other tax-exempt income	20		
	21	Nondeductible expenses	21	2,889	
	22	Distributions of money (cash and marketable securities)	22	250,000	
	23	Distributions of property other than money	23		
	24	Other items and amounts required to be reported separately to partners (attach schedule)			

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17f, and 18b . . . . .						1	344,353
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners		344,353					
b Limited partners							

**Schedule L Balance Sheets per Books** (Not required if Question 5 on Schedule B is answered "Yes.")

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash . . . . .		95,518		146,198
2a Trade notes and accounts receivable . . . . .	175,685		201,410	
b Less allowance for bad debts . . . . .	2,107	173,578	2,000	199,410
3 Inventories . . . . .				
4 U.S. government obligations . . . . .		300,000		320,000
5 Tax-exempt securities . . . . .		56,500		45,000
6 Other current assets (attach schedule) . . . . .		34,157		31,410
7 Mortgage and real estate loans . . . . .				
8 Other investments (attach schedule) . . . . .		390,000		419,550
9a Buildings and other depreciable assets . . . . .	245,287		261,405	
b Less accumulated depreciation . . . . .	57,089	188,198	113,474	147,931
10a Depletable assets . . . . .				
b Less accumulated depletion . . . . .				
11 Land (net of any amortization) . . . . .				
12a Intangible assets (amortizable only). . . . .	25,000		25,000	
b Less accumulated amortization . . . . .	19,500	5,500	20,500	4,500
13 Other assets (attach schedule) . . . . .		86,855		90,256
14 <b>Total assets</b> . . . . .		1,330,306		1,404,255
<b>Liabilities and Capital</b>				
15 Accounts payable . . . . .		155,750		135,740
16 Mortgages, notes, bonds payable in less than 1 year . . . . .				
17 Other current liabilities (attach schedule) . . . . .		45,435		47,930
18 All nonrecourse loans . . . . .				
19 Mortgages, notes, bonds payable in 1 year or more . . . . .				
20 Other liabilities (attach schedule) . . . . .				
21 Partners' capital accounts . . . . .		1,129,121		1,220,585
22 <b>Total liabilities and capital</b> . . . . .		1,330,306		1,404,255

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return** (Not required if Question 5 on Schedule B is answered "Yes." See page 29 of the instructions.)

1 Net income (loss) per books . . . . .	341,464	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): . . . . .		a Tax-exempt interest \$ . . . . .	
3 Guaranteed payments (other than health insurance) . . . . .		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17f, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17f, and 18b (itemize):		a Depreciation \$ . . . . .	
a Depreciation \$ . . . . .		8 Add lines 6 and 7 . . . . .	
b Travel and entertainment \$ 2,889 . . . . .	2,889	9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 . . . . .	344,353
5 Add lines 1 through 4 . . . . .	344,353		

**Schedule M-2 Analysis of Partners' Capital Accounts** (Not required if Question 5 on Schedule B is answered "Yes.")

1 Balance at beginning of year . . . . .	1,129,121	6 Distributions: a Cash . . . . .	250,000	250,000
2 Capital contributed during year . . . . .		b Property . . . . .		
3 Net income (loss) per books . . . . .	341,464	7 Other decreases (itemize): . . . . .		
4 Other increases (itemize): . . . . .		8 Add lines 6 and 7 . . . . .		250,000
5 Add lines 1 through 4 . . . . .	1,470,585	9 Balance at end of year. Subtract line 8 from line 5 . . . . .		1,220,585



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-02-0001

Partner's name, address, and ZIP code # 1  
CHARLES HOGAN  
542 HALIFAX DRIVE  
ANYTOWN, PA 17320

**Partnership's identifying number** ▶ 520000002

Partnership's name, address, and ZIP code  
KNOWITALL CONSULTANTS PARTNERSHIP  
2 ANY STREET  
ANYTOWN, PA 17312

- A** This partner is a  general partner  limited partner  
 limited liability company member
- B** What type of entity is this partner? ▶ INDIVIDUAL
- C** Is this partner a  domestic or a  foreign partner?
- D** Enter partner's percentage of:
 

	(i) Before change or termination	(ii) End of year
Profit sharing . . . . .	60.0000 %	60.0000 %
Loss sharing . . . . .	60.0000 %	60.0000 %
Ownership of capital . . . . .	60.0000 %	60.0000 %
- E** IRS Center where partnership filed return PHILADELPHIA

- F** Partner's share of liabilities (see instructions):
 

Nonrecourse . . . . .	\$	-----
Qualified nonrecourse financing . . . . .	\$	-----
Other . . . . .	\$	<u>110,202</u>
- G** Tax shelter registration number . ▶ -----
- H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .
- I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
<u>725,406</u>		<u>204,878</u>	( <u>150,000</u> )	<u>780,284</u>

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	<b>1</b> Ordinary income (loss) from trade or business activities . . . . .	<u>209,607</u>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>2</b> Net income (loss) from rental real estate activities . . . . .		
	<b>3</b> Net income (loss) from other rental activities . . . . .		
	<b>4</b> Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	<b>a</b> Interest . . . . .	<u>1,594</u>	
	<b>b</b> Ordinary dividends . . . . .	<u>2,981</u>	
	<b>c</b> Royalties . . . . .		
	<b>d</b> Net short-term capital gain (loss) . . . . .		
	<b>e</b> Net long-term capital gain (loss):		
	<b>(1)</b> 28% rate gain (loss) . . . . .		} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065). Enter on applicable line of your return.
	<b>(2)</b> Total for year. . . . .	<u>2,100</u>	
	<b>f</b> Other portfolio income (loss) (attach schedule) . . . . .		
	<b>5</b> Guaranteed payments to partner . . . . .		} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065). Enter on applicable line of your return.
<b>6</b> Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .			
<b>7</b> Other income (loss) (attach schedule) . . . . .			
<b>8</b> Charitable contributions (see instructions) (attach schedule) . . . . .			
<b>Deductions</b>	<b>9</b> Section 179 expense deduction . . . . .		} Sch. A, line 15 or 16 } See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>10</b> Deductions related to portfolio income (attach schedule) . . . . .		
	<b>11</b> Other deductions (attach schedule) . . . . .		
	<b>12a</b> Low-income housing credit:		
<b>(1)</b> From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .			
<b>(2)</b> Other than on line 12a(1) for property placed in service before 1990 . . . . .			
<b>(3)</b> From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .			
<b>(4)</b> Other than on line 12a(3) for property placed in service after 1989 . . . . .		} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).	
<b>b</b> Qualified rehabilitation expenditures related to rental real estate activities . . . . .			
<b>c</b> Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .			
<b>d</b> Credits related to other rental activities . . . . .			
<b>Credits</b>	<b>13</b> Other credits . . . . .		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1) 4,576	
		(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a 209,607	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Gross farming or fishing income . . . . .	15b	
	c	Gross nonfarm income . . . . .	15c 1,529,892	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b	Adjusted gain or loss . . . . .	16b	
	c	Depletion (other than oil and gas) . . . . .	16c	
	d	(1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	e	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶ . . . . .	17a	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.
	b	Total gross income sourced at partner level . . . . .	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
		(1) U.S. source and listed categories . . . . .	17c(1)	
		(2) Passive . . . . .	17c(2)	
		(3) General limitation . . . . .	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
		(1) Interest expense . . . . .	17d(1)	
		(2) Other . . . . .	17d(2)	
	e	Deductions allocated and apportioned at partnership level (attach schedule):		
		(1) U.S. source and listed categories . . . . .	17e(1)	
	(2) Passive . . . . .	17e(2)		
	(3) General limitation . . . . .	17e(3)		
f	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	18	Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Amount . . . . .	18b	
	19	Tax-exempt interest income . . . . .	19	Form 1040, line 8b
	20	Other tax-exempt income . . . . .	20	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	21	Nondeductible expenses . . . . .	21 1,733	
	22	Distributions of money (cash and marketable securities) . . . . .	22 150,000	
	23	Distributions of property other than money . . . . .	23	} Form 8611, line 8
	24	Recapture of low-income housing credit:		
a	From section 42(j)(5) partnerships . . . . .	24a		
b	Other than on line 24a . . . . .	24b		
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
		.....		
		.....		
		.....		
		.....		
		.....		
		.....		
		.....		
		.....		
		.....		



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-02-0002

**Partnership's identifying number** ▶ 52:0000002

Partner's name, address, and ZIP code # 2

Partnership's name, address, and ZIP code

**JACK BURWELL**  
2582 WILSON AVENUE  
ANYTOWN, PA 17320

**KNOWITALL CONSULTANTS PARTNERSHIP**  
2 ANY STREET  
ANYTOWN, PA 17312

**A** This partner is a  general partner  limited partner  
 limited liability company member

**F** Partner's share of liabilities (see instructions):  
Nonrecourse . . . . . \$ .....  
Qualified nonrecourse financing . . . . . \$ .....  
Other . . . . . \$ **73,468**

**B** What type of entity is this partner? ▶ **INDIVIDUAL**

**C** Is this partner a  domestic or a  foreign partner?

**D** Enter partner's percentage of: (i) Before change or termination (ii) End of year

Profit sharing . . . . . **40.0000** % **40.0000** %

Loss sharing . . . . . **40.0000** % **40.0000** %

Ownership of capital . . . . . **40.0000** % **40.0000** %

**G** Tax shelter registration number . ▶ .....

**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .

**E** IRS Center where partnership filed return: **PHILADELPHIA**

**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
<b>403,715</b>		<b>136,586</b>	( <b>100,000</b> )	<b>440,301</b>

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	<b>1</b> Ordinary income (loss) from trade or business activities . . . . .	<b>139,738</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>2</b> Net income (loss) from rental real estate activities . . . . .		
	<b>3</b> Net income (loss) from other rental activities . . . . .		
	<b>4</b> Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	<b>a</b> Interest . . . . .	<b>1,063</b>	
	<b>b</b> Ordinary dividends . . . . .	<b>1,988</b>	
	<b>c</b> Royalties . . . . .		
	<b>d</b> Net short-term capital gain (loss) . . . . .		
	<b>e</b> Net long-term capital gain (loss):		
	<b>(1)</b> 28% rate gain (loss) . . . . .		} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065). Enter on applicable line of your return.
	<b>(2)</b> Total for year. . . . .	<b>1,400</b>	
<b>f</b> Other portfolio income (loss) (attach schedule) . . . . .		} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065). Enter on applicable line of your return.	
<b>5</b> Guaranteed payments to partner . . . . .			
<b>6</b> Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .		} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065). Enter on applicable line of your return.	
<b>7</b> Other income (loss) (attach schedule) . . . . .			
<b>Deductions</b>	<b>8</b> Charitable contributions (see instructions) (attach schedule) . . . . .		} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>9</b> Section 179 expense deduction . . . . .	<b>6,447</b>	
	<b>10</b> Deductions related to portfolio income (attach schedule) . . . . .		
	<b>11</b> Other deductions (attach schedule) . . . . .		
<b>Credits</b>	<b>12a</b> Low-income housing credit:		} Form 8586, line 5
	<b>(1)</b> From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .		
	<b>(2)</b> Other than on line 12a(1) for property placed in service before 1990 . . . . .		
	<b>(3)</b> From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .		
	<b>(4)</b> Other than on line 12a(3) for property placed in service after 1989 . . . . .		} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>b</b> Qualified rehabilitation expenditures related to rental real estate activities . . . . .		
	<b>c</b> Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .		
	<b>d</b> Credits related to other rental activities . . . . .		
<b>13</b> Other credits . . . . .			

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a Interest expense on investment debts . . . . .	14a	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b (1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1) 3,051	
	(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a Net earnings (loss) from self-employment . . . . .	15a 139,738	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b Gross farming or fishing income . . . . .	15b	
	c Gross nonfarm income . . . . .	15c 1,019,928	
Adjustments and Tax Preference Items	16a Depreciation adjustment on property placed in service after 1986 . . . . .	16a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b Adjusted gain or loss . . . . .	16b	
	c Depletion (other than oil and gas) . . . . .	16c	
	d (1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
e Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a Name of foreign country or U.S. possession ▶ . . . . .	17a	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.
	b Total gross income sourced at partner level . . . . .	17b	
	c Total gross income sourced at partnership level (attach schedule):		
	(1) U.S. source and listed categories . . . . .	17c(1)	
	(2) Passive . . . . .	17c(2)	
	(3) General limitation . . . . .	17c(3)	
	d Deductions allocated and apportioned at partner level:		
	(1) Interest expense . . . . .	17d(1)	
	(2) Other . . . . .	17d(2)	
	e Deductions allocated and apportioned at partnership level (attach schedule):		
	(1) U.S. source and listed categories . . . . .	17e(1)	
(2) Passive . . . . .	17e(2)		
(3) General limitation . . . . .	17e(3)		
f Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	18 Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b Amount . . . . .	18b	
	19 Tax-exempt interest income . . . . .	19	Form 1040, line 8b
	20 Other tax-exempt income . . . . .	20	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	21 Nondeductible expenses . . . . .	21 1,156	
	22 Distributions of money (cash and marketable securities) . . . . .	22 100,000	
	23 Distributions of property other than money . . . . .	23	} Form 8611, line 8
24 Recapture of low-income housing credit:			
a From section 42(j)(5) partnerships . . . . .	24a		
b Other than on line 24a . . . . .	24b		
Supplemental Information	25 Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
	.....		
	.....		
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	.....		
	.....		
	.....		
	.....		



**TEST #3**

<b>FORMS REQUIRED:</b> 1065, 4562, 8825. 2 K-1s (1065)
--

**FORM 1065, PAGE 1: IDENTIFYING INFORMATION**

**NAME OF PARTNERSHIP:**

HIDE 'N SEEK STORAGE  
3 ANY STREET  
ANYTOWN, MI 48541

**NAME OF PREPARER:**

ELECTRONIC TAX FILERS, INC.  
100 TECHO DRIVE  
RAINTOWN, WA 98530  
EIN: 52-0000099  
PREPARER SSN: 001-99-0001

**FORM 1065, PAGE 1:**

**LINE A:** RENTAL  
**LINE B:** STORAGE UNITS  
**LINE C:** 493100  
**LINE D:** 52-0000003  
**LINE E:** 01/01/94  
**LINE H(1):** X

**FORM 1065, PAGE 2, SCHEDULE A:**

**LINE 9d** NO  
**LINE 9e:** NO

**FORM 1065, PAGE 2, SCHEDULE B:**

**LINE 1a:** X  
**LINE 2:** NO  
**LINE 3:** NO  
**LINE 4:** NO  
**LINE 5:** NO  
**LINE 6:** NO  
**LINE 7:** NO  
**LINE 8:** NO  
**LINE 9:** NO  
**LINE 10:** NO  
**LINE 11:** NO

**TEST #3 (Continued):**

**FORM 1065, PAGE 2, SCHEDULE B (Continued):**

NAME OF DESIGNATED TMP:	RET TANGLE
IDENTIFYING NUMBER OF TMP:	001-03-0001
ADDRESS OF DESIGNATED TMP:	1514 SWEET BRIAR STACKIT, MI 48541

**FORM 1065, PAGE 4, SCHEDULE L:**

LINE 1(b):	14500
LINE 1(d):	700
LINE 6(b) (STM 01):	
VARIOUS	8000
LINE 9a(a):	1526000
LINE 9a(c):	1526000
LINE 9b(a):	154882
LINE 9b(c):	194010
LINE 11(b):	250000
LINE 11(d):	250000
LINE 19(b):	1045118
LINE 19(d):	997029

**FORM 1065, PAGE 4, SCHEDULE M-1:**

LINE 1:	-11839
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**FORM 1065, PAGE 4, SCHEDULE M-2:**

LINE 1:	598500
LINE 3:	-11839
LINE 6a:	1000

**FORM 4562:           ACTIVITY TO WHICH THIS FORM RELATES:  
                          FORM 1065, PAGE 1, LINE 22**

**FORM 4562: PART II:**

LINE 17:	39128
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**FORM 4562, PART V, SECTION C:**

LINE 35	NO
LINE 36	NO
LINE 37	NO
LINE 38	NO
LINE 39	NO



**TEST #3 (Continued):**

**SCHEDULE K-1 (FORM 1065), #2:**

PARTNER'S IDENTIFICATION NUMBER:		001-03-0002
PARTNER'S NAME:	SARAH SQUARE	
PARTNER'S ADDRESS:	15 NIGHTMEADOW LANE STACKIT, MI 48541	
<b>LINE A:</b>	GENERAL PARTNER	
<b>LINE B:</b>	INDIVIDUAL	
<b>LINE C:</b>	DOMESTIC	
<b>LINE D(i):</b>	BEFORE CHANGE OR TERMINATION:	
	PROFIT SHARING	10.00000%
	LOSS SHARING	10.00000%
	OWNERSHIP OF CAPITAL	10.00000%
<b>LINE D(ii):</b>	END OF YEAR:	
	PROFIT SHARING	10.00000%
	LOSS SHARING	10.00000%
	OWNERSHIP OF CAPITAL	10.00000%
<b>LINE E:</b>	CINCINNATI, OHIO	
<b>LINE F:</b>	QUALIFIED NONRECOURSE FINANCING	99703
<b>LINE J(a):</b>	59850	
<b>LINE J(c):</b>	-1184	
<b>LINE J(d):</b>	100	

# U.S. Return of Partnership Income

OMB No. 1545-0099

For calendar year 2000, or tax year beginning \_\_\_\_\_, 2000, and ending \_\_\_\_\_, 20\_\_\_\_  
▶ See separate instructions.

**2000**

<b>A</b> Principal business activity <b>RENTAL</b>	<b>Use the IRS label. Otherwise, please print or type.</b>	Name of partnership <b>HIDE 'N SEEK STORAGE</b>	<b>D</b> Employer identification number <b>52:0000003</b>
<b>B</b> Principal product or service <b>STORAGE UNITS</b>		Number, street, and room or suite no. If a P.O. box, see page 12 of the instructions. <b>3 ANY STREET</b>	<b>E</b> Date business started <b>1/1/94</b>
<b>C</b> Business code number <b>493100</b>		City or town, state, and ZIP code <b>ANYTOWN, MI 48541</b>	<b>F</b> Total assets (see page 12 of the instructions) \$ <b>1,582,690</b>

**G** Check applicable boxes: (1)  Initial return (2)  Final return (3)  Change in address (4)  Amended return  
**H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_  
**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ \_\_\_\_\_ **2**

**Caution:** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

<b>Income</b>	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b>			
	<b>b</b> Less returns and allowances. . . . .	<b>1b</b>			<b>1c</b>
	<b>2</b> Cost of goods sold (Schedule A, line 8) . . . . .				<b>2</b>
	<b>3</b> Gross profit. Subtract line 2 from line 1c. . . . .				<b>3</b>
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule). . . . .				<b>4</b>
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .				<b>5</b>
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 18. . . . .				<b>6</b>
	<b>7</b> Other income (loss) (attach schedule). . . . .				<b>7</b>
<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .				<b>8</b>	
<b>Deductions</b> (see page 14 of the instructions for limitations)	<b>9</b> Salaries and wages (other than to partners) (less employment credits). . . . .				<b>9</b>
	<b>10</b> Guaranteed payments to partners . . . . .				<b>10</b>
	<b>11</b> Repairs and maintenance . . . . .				<b>11</b>
	<b>12</b> Bad debts . . . . .				<b>12</b>
	<b>13</b> Rent . . . . .				<b>13</b>
	<b>14</b> Taxes and licenses . . . . .				<b>14</b>
	<b>15</b> Interest . . . . .				<b>15</b>
	<b>16a</b> Depreciation (if required, attach Form 4562) . . . . .	<b>16a</b>			
	<b>b</b> Less depreciation reported on Schedule A and elsewhere on return	<b>16b</b>			<b>16c</b>
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .				<b>17</b>
	<b>18</b> Retirement plans, etc. . . . .				<b>18</b>
	<b>19</b> Employee benefit programs . . . . .				<b>19</b>
	<b>20</b> Other deductions (attach schedule) . . . . .				<b>20</b>
<b>21 Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20 . . . . .				<b>21</b>	
<b>22 Ordinary income (loss)</b> from trade or business activities. Subtract line 21 from line 8 . . . . .				<b>22</b>	

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

**Please Sign Here**

▶ Signature of general partner or limited liability company member      ▶ Date

**Paid Preparer's Use Only**

Preparer's signature ▶      Date      Check if self-employed       Preparer's SSN or PTIN **001-99-0001**

Firm's name (or yours if self-employed), address, and ZIP code ▶ **ELECTRONIC TAX FILERS, INC.**      EIN ▶ **52:0000099**

**100 TECHO DRIVE RAIN TOWN, WA 98530**      Phone no. (      )

**Schedule A Cost of Goods Sold** (see page 17 of the instructions)

1	Inventory at beginning of year . . . . .	1		
2	Purchases less cost of items withdrawn for personal use . . . . .	2		
3	Cost of labor . . . . .	3		
4	Additional section 263A costs (attach schedule) . . . . .	4		
5	Other costs (attach schedule) . . . . .	5		
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6		
7	Inventory at end of year . . . . .	7		
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8		

- 9a Check all methods used for valuing closing inventory:
- (i)  Cost as described in Regulations section 1.471-3
  - (ii)  Lower of cost or market as described in Regulations section 1.471-4
  - (iii)  Other (specify method used and attach explanation) ▶ .....
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c). . . . ▶
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . ▶
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? . .  Yes  No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information**

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input checked="" type="checkbox"/> Domestic general partnership		
b <input type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶ .....		
2 Are any partners in this partnership also partnerships? . . . . .		X
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment . . . . .		X
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see <b>Designation of Tax Matters Partner</b> below . . . . .		X
5 Does this partnership meet <b>all three</b> of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000; <b>and</b>		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 . . . . .		X
6 Does this partnership have any foreign partners? . . . . .		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? . . . . .		X
8 Has this partnership filed, or is it required to file, <b>Form 8264</b> , Application for Registration of a Tax Shelter? . . . . .		X
9 At any time during calendar year 2000, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 18 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶ .....		X
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 18 of the instructions . . . . .		X
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under <b>Elections Made By the Partnership</b> on page 7 of the instructions . . . . .		X
12 Enter the number of Forms 8865 attached to this return ▶ .....		0

**Designation of Tax Matters Partner** (see page 18 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶	<b>RET TANGLE</b>	Identifying number of TMP ▶	<b>001-03-0001</b>
Address of designated TMP ▶	<b>1514 SWEET BRIAR STACKIT, MI 48541</b>		

**Schedule K Partners' Shares of Income, Credits, Deductions, etc.**

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 22)	1	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	(11,839)
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):		
	a	Interest income	4a	
	b	Ordinary dividends	4b	
	c	Royalty income	4c	
	d	Net short-term capital gain (loss) (attach Schedule D (Form 1065))	4d	
	e	Net long-term capital gain (loss) (attach Schedule D (Form 1065)):		
	(1)	28% rate gain (loss)	4e(1)	
	(2)	Total for year	4e(2)	
f	Other portfolio income (loss) (attach schedule)	4f		
5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	
	9	Section 179 expense deduction (attach Form 4562)	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12a(1)	
	(2)	Other than on line 12a(1) for property placed in service before 1990	12a(2)	
	(3)	From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12a(3)	
	(4)	Other than on line 12a(3) for property placed in service after 1989	12a(4)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
d	Credits related to other rental activities	12d		
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	
	(2)	Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	978
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d (1)	Gross income from oil, gas, and geothermal properties	16d(1)	
	(2)	Deductions allocable to oil, gas, and geothermal properties	16d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession		
	b	Total gross income sourced at partner level	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
	(1)	U.S. source and listed categories	17c(1)	
	(2)	Passive	17c(2)	
	(3)	General limitation	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
	(1)	Interest expense	17d(1)	
(2)	Other	17d(2)		
e	Deductions allocated and apportioned at partnership level (attach schedule):			
(1)	U.S. source and listed categories	17e(1)		
(2)	Passive	17e(2)		
(3)	General limitation	17e(3)		
f	Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17f		
g	Reduction in taxes available for credit (attach schedule)	17g		
Other	18	Section 59(e)(2) expenditures: a Type b Amount	18b	
	19	Tax-exempt interest income	19	
	20	Other tax-exempt income	20	
	21	Nondeductible expenses	21	
	22	Distributions of money (cash and marketable securities)	22	1,000
	23	Distributions of property other than money	23	
	24	Other items and amounts required to be reported separately to partners (attach schedule)		

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17f, and 18b . . . . .						1	(11,839)
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners		(11,839)					
b Limited partners							

**Schedule L Balance Sheets per Books** (Not required if Question 5 on Schedule B is answered "Yes.")

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash . . . . .		14,500		700
2a Trade notes and accounts receivable . . . . .				
b Less allowance for bad debts . . . . .				
3 Inventories . . . . .				
4 U.S. government obligations . . . . .				
5 Tax-exempt securities . . . . .				
6 Other current assets (attach schedule) . . . . .		8,000		
7 Mortgage and real estate loans . . . . .				
8 Other investments (attach schedule) . . . . .				
9a Buildings and other depreciable assets . . . . .	1,526,000		1,526,000	
b Less accumulated depreciation . . . . .	154,882	1,371,118	194,010	1,331,990
10a Depletable assets . . . . .				
b Less accumulated depletion . . . . .				
11 Land (net of any amortization) . . . . .		250,000		250,000
12a Intangible assets (amortizable only). . . . .				
b Less accumulated amortization . . . . .				
13 Other assets (attach schedule) . . . . .				
14 <b>Total assets</b> . . . . .		1,643,618		1,582,690
<b>Liabilities and Capital</b>				
15 Accounts payable . . . . .				
16 Mortgages, notes, bonds payable in less than 1 year . . . . .				
17 Other current liabilities (attach schedule) . . . . .				
18 All nonrecourse loans . . . . .				
19 Mortgages, notes, bonds payable in 1 year or more . . . . .		1,045,118		997,029
20 Other liabilities (attach schedule) . . . . .				
21 Partners' capital accounts . . . . .		598,500		585,661
22 <b>Total liabilities and capital</b> . . . . .		1,643,618		1,582,690

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return** (Not required if Question 5 on Schedule B is answered "Yes." See page 29 of the instructions.)

1 Net income (loss) per books . . . . .	(11,839)	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): . . . . .		a Tax-exempt interest \$ . . . . .	
3 Guaranteed payments (other than health insurance) . . . . .		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17f, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17f, and 18b (itemize):		a Depreciation \$ . . . . .	
a Depreciation \$ . . . . .		8 Add lines 6 and 7 . . . . .	
b Travel and entertainment \$ . . . . .		9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 . . . . .	(11,839)
5 Add lines 1 through 4 . . . . .	(11,839)		

**Schedule M-2 Analysis of Partners' Capital Accounts** (Not required if Question 5 on Schedule B is answered "Yes.")

1 Balance at beginning of year . . . . .	598,500	6 Distributions: a Cash . . . . .	1,000	1,000
2 Capital contributed during year . . . . .		b Property . . . . .		
3 Net income (loss) per books . . . . .	(11,839)	7 Other decreases (itemize): . . . . .		
4 Other increases (itemize): . . . . .		8 Add lines 6 and 7 . . . . .	1,000	
5 Add lines 1 through 4 . . . . .	586,661	9 Balance at end of year. Subtract line 8 from line 5 . . . . .		585,661



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-03-0001      **Partnership's identifying number** ▶ 52:0000003

Partner's name, address, and ZIP code # 1  
**RET TANGLE**  
**1514 SWEET BRIAR**  
**STACKIT, MI 48541**

Partnership's name, address, and ZIP code  
**HIDE 'N SEEK STORAGE**  
**3 ANY STREET**  
**ANYTOWN, MI 48541**

**A** This partner is a  general partner  limited partner  
 limited liability company member  
**B** What type of entity is this partner? ▶ **INDIVIDUAL**  
**C** Is this partner a  domestic or a  foreign partner?  
**D** Enter partner's percentage of: (i) Before change or termination (ii) End of year  
Profit sharing . . . . . **90.0000** % **90.0000** %  
Loss sharing . . . . . **90.0000** % **90.0000** %  
Ownership of capital . . . . . **90.0000** % **90.0000** %  
**E** IRS Center where partnership filed return: **CINCINNATI**

**F** Partner's share of liabilities (see instructions):  
Nonrecourse . . . . . \$ .....  
Qualified nonrecourse financing . . . . . \$ **897,326**  
Other . . . . . \$ .....  
**G** Tax shelter registration number . . . . .  
**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .   
**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
<b>538,650</b>		<b>(10,655)</b>	<b>( 900 )</b>	<b>527,095</b>

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	<b>1</b> Ordinary income (loss) from trade or business activities . . . . .	<b>1</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>2</b> Net income (loss) from rental real estate activities . . . . .	<b>2</b>	
	<b>3</b> Net income (loss) from other rental activities . . . . .	<b>3</b>	
	<b>4</b> Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	<b>a</b> Interest . . . . .	<b>4a</b>	
	<b>b</b> Ordinary dividends . . . . .	<b>4b</b>	
	<b>c</b> Royalties . . . . .	<b>4c</b>	
	<b>d</b> Net short-term capital gain (loss) . . . . .	<b>4d</b>	
	<b>e</b> Net long-term capital gain (loss):		
	<b>(1)</b> 28% rate gain (loss) . . . . .	<b>e(1)</b>	
	<b>(2)</b> Total for year. . . . .	<b>e(2)</b>	
<b>f</b> Other portfolio income (loss) (attach schedule) . . . . .	<b>4f</b>		
<b>5</b> Guaranteed payments to partner . . . . .	<b>5</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065). Enter on applicable line of your return.	
<b>6</b> Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	<b>6</b>		
<b>7</b> Other income (loss) (attach schedule) . . . . .	<b>7</b>		
<b>Deductions</b>	<b>8</b> Charitable contributions (see instructions) (attach schedule) . . . . .	<b>8</b>	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>9</b> Section 179 expense deduction . . . . .	<b>9</b>	
	<b>10</b> Deductions related to portfolio income (attach schedule) . . . . .	<b>10</b>	
	<b>11</b> Other deductions (attach schedule) . . . . .	<b>11</b>	
<b>Credits</b>	<b>12a</b> Low-income housing credit:		} Form 8586, line 5
	<b>(1)</b> From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	<b>a(1)</b>	
	<b>(2)</b> Other than on line 12a(1) for property placed in service before 1990 . . . . .	<b>a(2)</b>	
	<b>(3)</b> From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	<b>a(3)</b>	
	<b>(4)</b> Other than on line 12a(3) for property placed in service after 1989 . . . . .	<b>a(4)</b>	
	<b>b</b> Qualified rehabilitation expenditures related to rental real estate activities . . . . .	<b>12b</b>	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>c</b> Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	<b>12c</b>	
	<b>d</b> Credits related to other rental activities . . . . .	<b>12d</b>	
<b>13</b> Other credits . . . . .	<b>13</b>		

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a Interest expense on investment debts . . . . .	14a	Form 4952, line 1 See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b (1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1)	
	(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a Net earnings (loss) from self-employment . . . . .	15a	Sch. SE, Section A or B See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b Gross farming or fishing income . . . . .	15b	
	c Gross nonfarm income . . . . .	15c	
Adjustments and Tax Preference Items	16a Depreciation adjustment on property placed in service after 1986 . . . . .	16a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b Adjusted gain or loss . . . . .	16b	
	c Depletion (other than oil and gas) . . . . .	16c	
	d (1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
e Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a Name of foreign country or U.S. possession ▶ . . . . .	17a	Form 1116, Part I  Form 1116, Part II  Form 1116, Part III and Instructions for Form 1116.
	b Total gross income sourced at partner level . . . . .	17b	
	c Total gross income sourced at partnership level (attach schedule):		
	(1) U.S. source and listed categories . . . . .	17c(1)	
	(2) Passive . . . . .	17c(2)	
	(3) General limitation . . . . .	17c(3)	
	d Deductions allocated and apportioned at partner level:		
	(1) Interest expense . . . . .	17d(1)	
	(2) Other . . . . .	17d(2)	
	e Deductions allocated and apportioned at partnership level (attach schedule):		
(1) U.S. source and listed categories . . . . .	17e(1)		
(2) Passive . . . . .	17e(2)		
(3) General limitation . . . . .	17e(3)		
f Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	18 Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065). Form 1040, line 8b See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).  Form 8611, line 8
	b Amount . . . . .	18b	
	19 Tax-exempt interest income . . . . .	19	
	20 Other tax-exempt income . . . . .	20	
	21 Nondeductible expenses . . . . .	21	
	22 Distributions of money (cash and marketable securities) . . . . .	22	
	23 Distributions of property other than money . . . . .	23	
24 Recapture of low-income housing credit:			
a From section 42(j)(5) partnerships . . . . .	24a		
b Other than on line 24a . . . . .	24b		
Supplemental Information	25 Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
	ITEM J(C) - CAPITAL ACCOUNT ADJUSTMENT:		
	NET INCOME (LOSS) FROM RENTAL REAL ESTATE		(10,655)
	TOTAL		(10,655)



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-03-0002

**Partnership's identifying number** ▶ 52:0000003

Partner's name, address, and ZIP code # 2  
SARAH SQUARE  
15 NIGHTMEADOW LANE  
STACKIT, MI 48541

Partnership's name, address, and ZIP code  
HIND 'N SEEK STORAGE  
3 ANY STREET  
ANYTOWN, MI 48541

- A This partner is a  general partner  limited partner  
 limited liability company member
- B What type of entity is this partner? ▶ INDIVIDUAL
- C Is this partner a  domestic or a  foreign partner?
- D Enter partner's percentage of:
 

	(i) Before change or termination	(ii) End of year
Profit sharing . . . . .	10.0000%	10.0000%
Loss sharing . . . . .	10.0000%	10.0000%
Ownership of capital . . . . .	10.0000%	10.0000%
- E IRS Center where partnership filed return: CINCINNATI

- F Partner's share of liabilities (see instructions):
 

Nonrecourse . . . . .	\$	.....
Qualified nonrecourse financing . . . . .	\$	99,703
Other . . . . .	\$	.....
- G Tax shelter registration number . ▶ .....
- H Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .
- I Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
59,850		(1,184)	( 100 )	58,566

(a) Distributive share item			(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	1 Ordinary income (loss) from trade or business activities . . . . .	1		} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2	(1,184)	
	3 Net income (loss) from other rental activities . . . . .	3		
	4 Portfolio income (loss):	4		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f)
	a Interest . . . . .	4a		
	b Ordinary dividends . . . . .	4b		
	c Royalties . . . . .	4c		
	d Net short-term capital gain (loss) . . . . .	4d		
	e Net long-term capital gain (loss):	e		
	(1) 28% rate gain (loss) . . . . .	e(1)		} Sch. D, line 12, col. (g) Sch. D, line 12, col. (f)
	(2) Total for year. . . . .	e(2)		
	f Other portfolio income (loss) (attach schedule) . . . . .	4f		} Enter on applicable line of your return.
	5 Guaranteed payments to partner . . . . .	5		
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6		} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
7 Other income (loss) (attach schedule) . . . . .	7			
<b>Deductions</b>	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8		} Sch. A, line 15 or 16
	9 Section 179 expense deduction . . . . .	9		
	10 Deductions related to portfolio income (attach schedule) . . . . .	10		} See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	11 Other deductions (attach schedule) . . . . .	11		
<b>Credits</b>	12a Low-income housing credit:	12a		} Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)		
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)		
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)		
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)		
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b		} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c		
	d Credits related to other rental activities . . . . .	12d		
13 Other credits . . . . .	13			

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a Interest expense on investment debts . . . . .	14a	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b (1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1)	
	(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a Net earnings (loss) from self-employment . . . . .	15a	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b Gross farming or fishing income . . . . .	15b	
	c Gross nonfarm income . . . . .	15c	
Adjustments and Tax Preference Items	16a Depreciation adjustment on property placed in service after 1986 . . . . .	16a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b Adjusted gain or loss . . . . .	16b	
	c Depletion (other than oil and gas) . . . . .	16c	
	d (1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
e Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a Name of foreign country or U.S. possession ▶		} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.
	b Total gross income sourced at partner level . . . . .	17b	
	c Total gross income sourced at partnership level (attach schedule):		
	(1) U.S. source and listed categories . . . . .	17c(1)	
	(2) Passive . . . . .	17c(2)	
	(3) General limitation . . . . .	17c(3)	
	d Deductions allocated and apportioned at partner level:		
	(1) Interest expense . . . . .	17d(1)	
	(2) Other . . . . .	17d(2)	
	e Deductions allocated and apportioned at partnership level (attach schedule):		
	(1) U.S. source and listed categories . . . . .	17e(1)	
(2) Passive . . . . .	17e(2)		
(3) General limitation . . . . .	17e(3)		
f Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	18 Section 59(e)(2) expenditures: a Type ▶		} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065). Form 1040, line 8b } See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).  } Form 8611, line 8
	b Amount . . . . .	18b	
	19 Tax-exempt interest income . . . . .	19	
	20 Other tax-exempt income . . . . .	20	
	21 Nondeductible expenses . . . . .	21	
	22 Distributions of money (cash and marketable securities) . . . . .	22	
	23 Distributions of property other than money . . . . .	23	
24 Recapture of low-income housing credit:			
a From section 42(j)(5) partnerships . . . . .	24a		
b Other than on line 24a . . . . .	24b		
Supplemental Information	25 Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
	-----		
	ITEM J(C) - CAPITAL ACCOUNT ADJUSTMENT:		
	NET INCOME (LOSS) FROM RENTAL REAL	(1,184)	
	TOTAL	(1,184)	
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**TEST # 4**

<b>FORMS REQUIRED:</b>	<b>1065, 4562, 8861, 2 K-1s (1065)</b>
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**FORM 1065, PAGE 1: IDENTIFYING INFORMATION**

**NAME OF PARTNERSHIP:**

REAL ESTATE DEVELOPERS PARTNERSHIP  
4 ANY STREET  
ANYTOWN, ND 72511

**NAME OF PREPARER:**

ELECTRONIC TAX FILERS, INC.  
100 TECHO DRIVE  
RAINTOWN, WA 98530  
EIN: 52-0000099  
PREPARER SSN: 001-99-0001

**FORM 1065, PAGE 1:**

**LINE A:** DEVELOPMENT  
**LINE B:** REAL ESTATE  
**LINE C:** 531120  
**LINE D:** 52-0000004  
**LINE E:** 05/14/89  
**LINE H(2):** X  
**LINE 1a:** 4195000  
**LINE 1b:** 87500  
**LINE 9:** 258565 (To Form 1065-- 248765; To Form 8861--9800)

**LINE 20 - OTHER DEDUCTIONS (STM 01):**

COMPUTER MAINTENANCE	27500
EQUIPMENT RENTAL	50856
INSURANCE - OFFICE	35000
LEGAL AND ACCOUNTING	50000
OFFICE EXPENSES	245000
REPAIRS AND MAINTENANCE	12580
UTILITIES	6500

**FORM 1065, PAGE 2, SCHEDULE A:**

**LINE 1:** 275100  
**LINE 2:** 2440505  
**LINE 3:** 500000

**TEST #4 (Continued):**

**FORM 1065, PAGE 2, SCHEDULE A (Continued):**

**LINE 5 - OTHER COSTS (STM 02):**

EQUIPMENT RENTAL	115200
INSURANCE - JOB SITES	41085
LANDSCAPING	75200
REPAIRS AND MAINTENANCE	15000
UTILITIES	7575

**LINE 7:** 304205

**LINE 9a(i):** X

**LINE 9(d):** Yes

**LINE 9(e):** No

**FORM 1065, PAGE 2, SCHEDULE B:**

**LINE 1(a):** X

**LINE 2:** No

**LINE 3:** No

**LINE 4:** No

**LINE 5:** No

**LINE 6:** No

**LINE 7:** No

**LINE 8:** No

**LINE 9:** No

**LINE 10:** No

**LINE 11:** No

**LINE 12:** 0

NAME OF DESIGNATED TMP:	MICHAEL SANDSTROM
IDENTIFYING NUMBER OF TMP:	001-04-0001
ADDRESS OF DESIGNATED TMP:	2517 ANY AVENUE EAST ANYTOWN, MN 69224

**FORM 1065, PAGE 3, SCHEDULE K:**

**LINE 4a:** 2500

**LINE 4b:** 1500

**LINE 8 (STM 03):**

UNITED WAY OF NORTH DAKOTA	1000
RED RIVER RELIEF FUND	4000
GRAND FORKS CHILDREN HOSPITAL	684

**LINE 21:** 9800

**FORM 1065, PAGE 4, SCHEDULE L:**

**LINE 1(b):** 125750

**TEST #4 (Continued)**

**FORM 1065, PAGE 4, SCHEDULE L (Continued):**

<b>LINE 1(d):</b>	131000	
<b>LINE 2a(a):</b>	425000	
<b>LINE 2a(c):</b>	445000	
<b>LINE 2b(a):</b>	10000	
<b>LINE 2b(c):</b>	12000	
<b>LINE 6(b) (STM 04):</b>		
PREPAID INSURANCE		15000
PREPAID PROPERTY TAXES		12000
<b>LINE 6(d) (STM 05):</b>		
PREPAID INSURANCE		18000
PREPAID PROPERTY TAXES		15000
<b>LINE 8(b) (STM 06):</b>		
STOCK - US STEEL		22500
STOCK - INTERNATIONAL HARVESTER		21570
<b>LINE 8(d) (STM 07):</b>		
STOCK - US STEEL		22500
STOCK - INTERNATIONAL HARVESTER		22570
<b>LINE 9a(a):</b>	1200000	
<b>LINE 9a(c):</b>	1200000	
<b>LINE 9b(a):</b>	255000	
<b>LINE 9b(c):</b>	270000	
<b>LINE 11(b):</b>	212575	
<b>LINE 11(d):</b>	212575	
<b>LINE 15(b):</b>	175000	
<b>LINE 15(d):</b>	200000	
<b>LINE 16(b):</b>	75000	
<b>LINE 16(d):</b>	80000	
<b>LINE 19(b):</b>	800000	
<b>LINE 19(d):</b>	725000	

**FORM 1065, PAGE 4, SCHEDULE M-1:**

<b>LINE 1:</b>	239355	
<b>LINE 4 (STM 08):</b>		
FORM 8861 CREDIT		9800

**FORM 1065, PAGE 4, SCHEDULE M-2:**

<b>LINE 1:</b>	994495	
<b>LINE 3:</b>	239355	
<b>LINE 6a:</b>	150000	

**TEST #4 (Continued)**

**FORM 4562:           ACTIVITY TO WHICH THIS FORM RELATES:  
                          FORM 1065, LINE 22**

**FORM 4562, PART III:**

**LINE 17:**                   15000

**FORM 4562, PART V, SECTION C:**

**LINE 35**                   NO

**LINE 36**                   NO

**LINE 37**                   NO

**LINE 38**                   NO

**LINE 39**                   NO

**FORM 8861, PART I:**

**LINE 1a:**                   12500

**LINE 1b:**                   10850

**SCHEDULE K-1 (FORM 1065) #1:**

**PARTNER'S IDENTIFICATION NUMBER:**   001-04-0001  
**PARTNER'S NAME:**                   MICHAEL SANDSTROM  
**PARTNER'S ADDRESS:**                2517 ANY AVENUE  
  EAST ANYTOWN, MN 69224

**LINE A:**           GENERAL PARTNER

**LINE B:**           INDIVIDUAL

**LINE C:**           DOMESTIC

**LINE D(i):**        PROFIT SHARING           50.00000%

                          LOSS SHARING           50.00000%

                          OWNERSHIP OF CAPITAL   50.00000%

**LINE D(ii):**       PROFIT SHARING           50.00000%

                          LOSS SHARING           50.00000%

                          OWNERSHIP OF CAPITAL   50.00000%

**LINE E:**           OGDEN, UTAH

**LINE F:**

**QUALIFIED NONRECOURSE FINANCING**       402500

**OTHER**                                   100000

**LINE J(a):**           500000

**LINE J(c):**           119677

**LINE J(d):**           75000

**TEST #4 (Continued)**

**SCHEDULE K-1 (FORM 1065) #2:**

PARTNER'S IDENTIFICATION NUMBER: 001-04-0002  
PARTNER'S NAME: GUSTAV OLSEN  
PARTNER'S ADDRESS: 2452 ANY BLVD  
ANYTOWN, ND 72498

**LINE A:** GENERAL PARTNER  
**LINE B:** INDIVIDUAL  
**LINE C:** DOMESTIC  
**LINE D(i):** PROFIT SHARING 50.00000%  
LOSS SHARING 50.00000%  
OWNERSHIP OF CAPITAL 50.00000%  
**LINE D(ii):** PROFIT SHARING 50.00000%  
LOSS SHARING 50.00000%  
OWNERSHIP OF CAPITAL 50.00000%  
**LINE E:** OGDEN, UTAH

**LINE F:**  
QUALIFIED NONRECOURSE FINANCING 402500  
OTHER 100000

**LINE J(a):** 494495  
**LINE J(c):** 119678  
**LINE J(d):** 75000

# U.S. Return of Partnership Income

OMB No. 1545-0099

For calendar year 2000, or tax year beginning \_\_\_\_\_, 2000, and ending \_\_\_\_\_, 20\_\_\_\_  
▶ See separate instructions.

**2000**

<b>A</b> Principal business activity <b>DEVELOPMENT</b>	<b>Use the IRS label. Otherwise, please print or type.</b>	Name of partnership <b>REAL ESTATE DEVELOPERS PARTNERSHIP</b>	<b>D</b> Employer identification number <b>52:0000004</b>
<b>B</b> Principal product or service <b>REAL ESTATE</b>		Number, street, and room or suite no. If a P.O. box, see page 12 of the instructions. <b>4 ANY STREET</b>	<b>E</b> Date business started <b>5/14/89</b>
<b>C</b> Business code number <b>531120</b>		City or town, state, and ZIP code <b>ANYTOWN, ND 72511</b>	<b>F</b> Total assets (see page 12 of the instructions) \$ <b>2,088,850</b>

**G** Check applicable boxes: (1)  Initial return (2)  Final return (3)  Change in address (4)  Amended return  
**H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_  
**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ 2

**Caution:** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

<b>Income</b>	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b>	<b>4,195,000</b>			
	<b>b</b> Less returns and allowances . . . . .	<b>1b</b>	<b>87,500</b>		<b>1c</b>	<b>4,107,500</b>
	<b>2</b> Cost of goods sold (Schedule A, line 8) . . . . .	<b>2</b>				<b>3,165,460</b>
	<b>3</b> Gross profit. Subtract line 2 from line 1c . . . . .	<b>3</b>				<b>942,040</b>
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule) . . . . .	<b>4</b>				
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .	<b>5</b>				
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 18. . . . .	<b>6</b>				
	<b>7</b> Other income (loss) (attach schedule) . . . . .	<b>7</b>				
<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .	<b>8</b>				<b>942,040</b>	
<b>Deductions</b> (see page 14 of the instructions for limitations)	<b>9</b> Salaries and wages (other than to partners) (less employment credits) . . . . .	<b>9</b>				<b>248,765</b>
	<b>10</b> Guaranteed payments to partners . . . . .	<b>10</b>				
	<b>11</b> Repairs and maintenance . . . . .	<b>11</b>				
	<b>12</b> Bad debts . . . . .	<b>12</b>				
	<b>13</b> Rent . . . . .	<b>13</b>				
	<b>14</b> Taxes and licenses . . . . .	<b>14</b>				
	<b>15</b> Interest . . . . .	<b>15</b>				
	<b>16a</b> Depreciation (if required, attach Form 4562) . . . . .	<b>16a</b>	<b>15,000</b>			
	<b>b</b> Less depreciation reported on Schedule A and elsewhere on return . . . . .	<b>16b</b>			<b>16c</b>	<b>15,000</b>
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .	<b>17</b>				
	<b>18</b> Retirement plans, etc. . . . .	<b>18</b>				
	<b>19</b> Employee benefit programs . . . . .	<b>19</b>				
	<b>20</b> Other deductions (attach schedule) . . . . .	<b>20</b>				<b>427,436</b>
<b>21 Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20 . . . . .	<b>21</b>				<b>691,201</b>	
<b>22 Ordinary income (loss)</b> from trade or business activities. Subtract line 21 from line 8 . . . . .	<b>22</b>				<b>250,839</b>	

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

**Please Sign Here**

Signature of general partner or limited liability company member \_\_\_\_\_ Date \_\_\_\_\_

**Paid Preparer's Use Only**

Preparer's signature \_\_\_\_\_ Date \_\_\_\_\_ Check if self-employed  Preparer's SSN or PTIN **001-99-0001**

Firm's name (or yours if self-employed), address, and ZIP code **ELECTRONIC TAX FILERS, INC.** EIN **52:0000099**  
**100 TECO DRIVE RAIN TOWN, WA 98530** Phone no. ( ) \_\_\_\_\_

**Schedule A Cost of Goods Sold** (see page 17 of the instructions)

1	Inventory at beginning of year . . . . .	1	275,100
2	Purchases less cost of items withdrawn for personal use . . . . .	2	2,440,505
3	Cost of labor . . . . .	3	500,00
4	Additional section 263A costs (attach schedule) . . . . .	4	
5	Other costs (attach schedule) . . . . .	5	254,060
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6	3,469,665
7	Inventory at end of year . . . . .	7	304,205
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8	3,165,460

- 9a Check all methods used for valuing closing inventory:
- (i)  Cost as described in Regulations section 1.471-3
  - (ii)  Lower of cost or market as described in Regulations section 1.471-4
  - (iii)  Other (specify method used and attach explanation) ▶
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c). . . . ▶
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . ▶
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? . .  Yes  No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information**

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input checked="" type="checkbox"/> Domestic general partnership		
b <input type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶		
2 Are any partners in this partnership also partnerships? . . . . .		X
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment . . . . .		X
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see <b>Designation of Tax Matters Partner</b> below . . . . .		X
5 Does this partnership meet <b>all three</b> of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000; <b>and</b>		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 . . . . .		X
6 Does this partnership have any foreign partners? . . . . .		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? . . . . .		X
8 Has this partnership filed, or is it required to file, <b>Form 8264</b> , Application for Registration of a Tax Shelter? . . . . .		X
9 At any time during calendar year 2000, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 18 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶		X
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 18 of the instructions . . . . .		X
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under <b>Elections Made By the Partnership</b> on page 7 of the instructions . . . . .		X
12 Enter the number of Forms 8865 attached to this return ▶		0

**Designation of Tax Matters Partner** (see page 18 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶ **MICHAEL SANDSTROM** Identifying number of TMP ▶ **001-04-0001**

Address of designated TMP ▶ **2517 ANY AVENUE**  
**EAST ANYTOWN, MN 69224**

**Schedule K Partners' Shares of Income, Credits, Deductions, etc.**

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 22)	1	250,839
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):		
	a	Interest income	4a	2,500
	b	Ordinary dividends	4b	1,500
	c	Royalty income	4c	
	d	Net short-term capital gain (loss) (attach Schedule D (Form 1065))	4d	
	e	Net long-term capital gain (loss) (attach Schedule D (Form 1065)):		
	(1)	28% rate gain (loss)	4e(1)	
	(2)	Total for year	4e(2)	
f	Other portfolio income (loss) (attach schedule)	4f		
5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	5,684
	9	Section 179 expense deduction (attach Form 4562)	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12a(1)	
	(2)	Other than on line 12a(1) for property placed in service before 1990	12a(2)	
	(3)	From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12a(3)	
	(4)	Other than on line 12a(3) for property placed in service after 1989	12a(4)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
	d	Credits related to other rental activities	12d	
13	Other credits	13	9,800	
Investment Interest	14a	Interest expense on investment debts	14a	
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	4,000
	(2)	Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	250,839
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	942,040
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d (1)	Gross income from oil, gas, and geothermal properties	16d(1)	
	(2)	Deductions allocable to oil, gas, and geothermal properties	16d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession		
	b	Total gross income sourced at partner level	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
	(1)	U.S. source and listed categories	17c(1)	
	(2)	Passive	17c(2)	
	(3)	General limitation	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
	(1)	Interest expense	17d(1)	
(2)	Other	17d(2)		
e	Deductions allocated and apportioned at partnership level (attach schedule):			
(1)	U.S. source and listed categories	17e(1)		
(2)	Passive	17e(2)		
(3)	General limitation	17e(3)		
f	Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17f		
g	Reduction in taxes available for credit (attach schedule)	17g		
Other	18	Section 59(e)(2) expenditures: a Type b Amount	18b	
	19	Tax-exempt interest income	19	
	20	Other tax-exempt income	20	
	21	Nondeductible expenses	21	9,800
	22	Distributions of money (cash and marketable securities)	22	150,000
	23	Distributions of property other than money	23	
	24	Other items and amounts required to be reported separately to partners (attach schedule)		

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17f, and 18b . . . . .						1	249,155
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners	249,155						
b Limited partners							

**Schedule L Balance Sheets per Books** (Not required if Question 5 on Schedule B is answered "Yes.")

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash . . . . .		125,750		131,000
2a Trade notes and accounts receivable . . . . .	425,000		445,000	
b Less allowance for bad debts . . . . .	10,000	415,000	12,000	433,000
3 Inventories . . . . .		275,100		304,205
4 U.S. government obligations . . . . .				
5 Tax-exempt securities . . . . .				
6 Other current assets (attach schedule) . . . . .		27,000		33,000
7 Mortgage and real estate loans . . . . .				
8 Other investments (attach schedule) . . . . .		44,070		45,070
9a Buildings and other depreciable assets . . . . .	1,200,00		1,200,00	
b Less accumulated depreciation . . . . .	225,000	945,000	270,000	930,000
10a Depletable assets . . . . .				
b Less accumulated depletion . . . . .				
11 Land (net of any amortization) . . . . .		212,575		212,575
12a Intangible assets (amortizable only). . . . .				
b Less accumulated amortization . . . . .				
13 Other assets (attach schedule) . . . . .				
14 <b>Total assets</b> . . . . .		2,044,495		2,088,850
<b>Liabilities and Capital</b>				
15 Accounts payable . . . . .		175,000		200,000
16 Mortgages, notes, bonds payable in less than 1 year . . . . .		75,000		80,000
17 Other current liabilities (attach schedule) . . . . .				
18 All nonrecourse loans . . . . .				
19 Mortgages, notes, bonds payable in 1 year or more . . . . .		800,000		725,000
20 Other liabilities (attach schedule) . . . . .				
21 Partners' capital accounts . . . . .		994,495		1,083,850
22 <b>Total liabilities and capital</b> . . . . .		2,044,495		2,088,850

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return** (Not required if Question 5 on Schedule B is answered "Yes." See page 29 of the instructions.)

1 Net income (loss) per books . . . . .	239,355	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): . . . . .		a Tax-exempt interest \$ . . . . .	
3 Guaranteed payments (other than health insurance) . . . . .		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17f, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17f, and 18b (itemize):		a Depreciation \$ . . . . .	
a Depreciation \$ . . . . .		8 Add lines 6 and 7 . . . . .	
b Travel and entertainment \$ . . . . .	9,800	9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 . . . . .	249,155
5 Add lines 1 through 4 . . . . .	249,155		

**Schedule M-2 Analysis of Partners' Capital Accounts** (Not required if Question 5 on Schedule B is answered "Yes.")

1 Balance at beginning of year . . . . .	994,495	6 Distributions: a Cash . . . . .	150,000	150,000
2 Capital contributed during year . . . . .		b Property . . . . .		
3 Net income (loss) per books . . . . .	239,355	7 Other decreases (itemize): . . . . .		
4 Other increases (itemize): . . . . .		8 Add lines 6 and 7 . . . . .	150,000	
5 Add lines 1 through 4 . . . . .	1,233,850	9 Balance at end of year. Subtract line 8 from line 5 . . . . .	1,083,850	1,083,850



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-04-0001

Partner's name, address, and ZIP code # 1

**MICHAEL SANDSTROM**  
2517 ANY AVENUE  
EAST ANYTOWN, MN 69224

**Partnership's identifying number** ▶ 52:0000004

Partnership's name, address, and ZIP code

**REAL ESTATE DEVELOPERS PARTNERSHIP**  
4 ANY STREET  
ANYTOWN, ND 72511

**A** This partner is a  general partner  limited partner  
 limited liability company member

**B** What type of entity is this partner? ▶ **INDIVIDUAL**

**C** Is this partner a  domestic or a  foreign partner?

**D** Enter partner's percentage of: (i) Before change or termination (ii) End of year

Profit sharing . . . . . 50.0000 % 50.0000 %

Loss sharing . . . . . 50.0000 % 50.0000 %

Ownership of capital . . . . . 50.0000 % 50.0000 %

**E** IRS Center where partnership filed return: **OGDEN**

**F** Partner's share of liabilities (see instructions):

Nonrecourse . . . . . \$

Qualified nonrecourse financing . . . . . \$ **402,500**

Other . . . . . \$ **100,000**

**G** Tax shelter registration number . . . . .

**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .

**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
500,000		119,678	( 75,000 )	544,678

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	<b>1</b> Ordinary income (loss) from trade or business activities . . . . .	<b>125,420</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>2</b> Net income (loss) from rental real estate activities . . . . .	<b>0</b>	
	<b>3</b> Net income (loss) from other rental activities . . . . .	<b>0</b>	
	<b>4</b> Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f)
	<b>a</b> Interest . . . . .	<b>1,250</b>	
	<b>b</b> Ordinary dividends . . . . .	<b>750</b>	
	<b>c</b> Royalties . . . . .	<b>0</b>	
	<b>d</b> Net short-term capital gain (loss) . . . . .	<b>0</b>	
	<b>e</b> Net long-term capital gain (loss):		
	<b>(1)</b> 28% rate gain (loss) . . . . .		} Sch. D, line 12, col. (g) Sch. D, line 12, col. (f)
	<b>(2)</b> Total for year. . . . .	<b>0</b>	
	<b>f</b> Other portfolio income (loss) (attach schedule) . . . . .	<b>0</b>	} Enter on applicable line of your return.
	<b>5</b> Guaranteed payments to partner . . . . .	<b>0</b>	
<b>6</b> Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	<b>0</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
<b>7</b> Other income (loss) (attach schedule) . . . . .	<b>0</b>		
<b>Deductions</b>	<b>8</b> Charitable contributions (see instructions) (attach schedule) . . . . .	<b>2,842</b>	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>9</b> Section 179 expense deduction . . . . .	<b>0</b>	
	<b>10</b> Deductions related to portfolio income (attach schedule) . . . . .	<b>0</b>	
	<b>11</b> Other deductions (attach schedule). . . . .	<b>0</b>	
<b>Credits</b>	<b>12a</b> Low-income housing credit:		} Form 8586, line 5
	<b>(1)</b> From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	<b>0</b>	
	<b>(2)</b> Other than on line 12a(1) for property placed in service before 1990 . . . . .	<b>0</b>	
	<b>(3)</b> From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	<b>0</b>	
	<b>(4)</b> Other than on line 12a(3) for property placed in service after 1989 . . . . .	<b>0</b>	
	<b>b</b> Qualified rehabilitation expenditures related to rental real estate activities . . . . .	<b>0</b>	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>c</b> Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities. . . . .	<b>0</b>	
	<b>d</b> Credits related to other rental activities . . . . .	<b>0</b>	
<b>13</b> Other credits . . . . .	<b>4,900</b>		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:		
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	0	Form 4952, line 1 See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1)	2,000		
	b (2)	Investment expenses included on line 10 . . . . .	b(2)	0		
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a	125,420	Sch. SE, Section A or B See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	b	Gross farming or fishing income . . . . .	15b	0		
	c	Gross nonfarm income . . . . .	15c	471,020		
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a	0	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.	
	b	Adjusted gain or loss . . . . .	16b	0		
	c	Depletion (other than oil and gas) . . . . .	16c	0		
	d (1)	Gross income from oil, gas, and geothermal properties . . . . .	d(1)	0		
	d (2)	Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	0		
e	Other adjustments and tax preference items (attach schedule)	16e	0			
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶ . . . . .			Form 1116, Part I  Form 1116, Part II  Form 1116, Part III and Instructions for Form 1116.	
	b	Total gross income sourced at partner level . . . . .	17b	0		
	c	Total gross income sourced at partnership level (attach schedule):	(1) U.S. source and listed categories . . . . .	17c(1)		0
			(2) Passive . . . . .	17c(2)		0
			(3) General limitation . . . . .	17c(3)		0
	d	Deductions allocated and apportioned at partner level:	(1) Interest expense . . . . .	17d(1)		0
			(2) Other . . . . .	17d(2)		0
	e	Deductions allocated and apportioned at partnership level (attach schedule):	(1) U.S. source and listed categories . . . . .	17e(1)		0
			(2) Passive . . . . .	17e(2)		0
			(3) General limitation . . . . .	17e(3)		0
	f	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f	0		
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .					
Other	18	Section 59(e)(2) expenditures: a Type ▶ . . . . .			See page 9 of Partner's Instructions for Schedule K-1 (Form 1065). Form 1040, line 8b See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).  Form 8611, line 8	
	b	Amount . . . . .	18b	0		
	19	Tax-exempt interest income . . . . .	19	0		
	20	Other tax-exempt income . . . . .	20	0		
	21	Nondeductible expenses . . . . .	21	4,900		
	22	Distributions of money (cash and marketable securities) . . . . .	22	75,000		
	23	Distributions of property other than money . . . . .	23	0		
24	Recapture of low-income housing credit:	a From section 42(j)(5) partnerships . . . . .	24a			
		b Other than on line 24a . . . . .	24b			
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):				
		<b>LINE 8 - CHARITABLE CONTRIBUTIONS:</b>				
		UNITED WAY OF NORTH DAKOTA		500		
		RED RIVER RELIEF FUND		2,000		
		GRAND FORKS CHILDREN'S HOSPITAL		342		
		TOTAL		2,842		
		<b>LINE 13 - OTHER CREDITS</b>				
		FORM 8861 - WELFARE -TO-WORK CREDIT		4900		
		TOTAL		4900		



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-04-0002  
 Partner's name, address, and ZIP code # 2  
**GUSTAV OLSEN**  
 2542 ANY BLVD  
 ANYTOWN, ND 72498

**Partnership's identifying number** ▶ 52:0000004  
 Partnership's name, address, and ZIP code  
**REAL ESTATE DEVELOPERS PARTNERSHIP**  
 4 ANY STREET  
 ANYTOWN, ND 72511

**A** This partner is a  general partner  limited partner  
 limited liability company member  
**B** What type of entity is this partner? ▶ **INDIVIDUAL**  
**C** Is this partner a  domestic or a  foreign partner?  
**D** Enter partner's percentage of:  
 Profit sharing . . . . . **50.0000** % **50.0000** %  
 Loss sharing . . . . . **50.0000** % **50.0000** %  
 Ownership of capital . . . . . **50.0000** % **50.0000** %  
**E** IRS Center where partnership filed return: **OGDEN**

**F** Partner's share of liabilities (see instructions):  
 Nonrecourse . . . . . \$ .....  
 Qualified nonrecourse financing . . . . . \$ **402,500**  
 Other . . . . . \$ **100,000**  
**G** Tax shelter registration number . . . . .  
**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .   
**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
494,495		119,677	( 75,000 )	539,172

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	1 Ordinary income (loss) from trade or business activities . . . . .	1 125,419	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2 0	
	3 Net income (loss) from other rental activities . . . . .	3 0	
	4 Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	a Interest . . . . .	4a 1,250	
	b Ordinary dividends . . . . .	4b 750	
	c Royalties . . . . .	4c 0	
	d Net short-term capital gain (loss) . . . . .	4d 0	
	e Net long-term capital gain (loss):		
	(1) 28% rate gain (loss) . . . . .	e(1) 0	
	(2) Total for year. . . . .	e(2) 0	
	f Other portfolio income (loss) (attach schedule) . . . . .	4f 0	
	5 Guaranteed payments to partner . . . . .	5 0	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6 0		
7 Other income (loss) (attach schedule) . . . . .	7 0	Enter on applicable line of your return.	
<b>Deduct-ions</b>	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8 2,842	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	9 Section 179 expense deduction . . . . .	9 0	
	10 Deductions related to portfolio income (attach schedule) . . . . .	10 0	
	11 Other deductions (attach schedule) . . . . .	11 0	
<b>Credits</b>	12a Low-income housing credit:		} Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1) 0	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2) 0	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3) 0	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4) 0	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b 0	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c 0	
	d Credits related to other rental activities . . . . .	12d 0	
13 Other credits . . . . .	13 4,900		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:	
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	0	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1)	2,000	
	b (2)	Investment expenses included on line 10 . . . . .	b(2)	0	
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a	125,419	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Gross farming or fishing income . . . . .	15b	0	
	c	Gross nonfarm income . . . . .	15c	471,020	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a	0	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b	Adjusted gain or loss . . . . .	16b	0	
	c	Depletion (other than oil and gas) . . . . .	16c	0	
	d (1)	Gross income from oil, gas, and geothermal properties . . . . .	d(1)	0	
	d (2)	Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	0	
e	Other adjustments and tax preference items (attach schedule)	16e	0		
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶ . . . . .		0	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.
	b	Total gross income sourced at partner level . . . . .	17b	0	
	c	Total gross income sourced at partnership level (attach schedule):		0	
	(1)	U.S. source and listed categories . . . . .	17c(1)	0	
	(2)	Passive . . . . .	17c(2)	0	
	(3)	General limitation . . . . .	17c(3)	0	
	d	Deductions allocated and apportioned at partner level:		0	
	(1)	Interest expense . . . . .	17d(1)	0	
	(2)	Other . . . . .	17d(2)	0	
	e	Deductions allocated and apportioned at partnership level (attach schedule):		0	
(1)	U.S. source and listed categories . . . . .	17e(1)	0		
(2)	Passive . . . . .	17e(2)	0		
(3)	General limitation . . . . .	17e(3)	0		
f	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f	0		
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .				
Other	18	Section 59(e)(2) expenditures: a Type ▶ . . . . .		0	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065). Form 1040, line 8b } See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).  } Form 8611, line 8
	b	Amount . . . . .	18b	0	
	19	Tax-exempt interest income . . . . .	19	0	
	20	Other tax-exempt income . . . . .	20	0	
	21	Nondeductible expenses . . . . .	21	4,900	
	22	Distributions of money (cash and marketable securities) . . . . .	22	75,000	
	23	Distributions of property other than money . . . . .	23	0	
24	Recapture of low-income housing credit:				
a	From section 42(j)(5) partnerships . . . . .	24a			
b	Other than on line 24a . . . . .	24b			
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):			
		LINE 8 - CHARITABLE CONTRIBUTIONS:			
		UNITED WAY OF NORTH DAKOTA		500	
		RED RIVER RELIEF FUND		2,000	
		GRAND FORKS CHILDREN'S HOSPITAL		342	
		TOTAL		2842	
		LINE 13 - OTHER CREDITS			
		FORM 8861 - WELFARE -TO-WORK CREDIT		4,900	
		TOTAL		4,900	



**TEST # 5**

<b>FORMS REQUIRED:</b> 1065, A (5713), B (5713), C (5713), 4562, 5713, 2 K-1s (1065)
---

**FORM 1065, PAGE 1: IDENTIFYING INFORMATION**

**NAME OF PARTNERSHIP:**

MALL MADNESS PARTNERSHIP  
DBA: ALL THAT GLITTERS  
5 ANY STREET  
ANYTOWN, PA 95621

**NAME OF PREPARER:**

ELECTRONIC TAX FILERS, INC.  
100 TECHO DRIVE  
RAINTOWN, WA 98530  
EIN: 52-0000099  
PREPARER SNN: 001-99-0001

**THE FOLLOWING FORM 1065 ENTRIES DO NOT REQUIRE SUPPORTING FORMS OR SCHEDULES:**

**LINE A:** RETAIL STORE  
**LINE B:** RETAIL STORE  
**LINE C:** 453220  
**LINE D:** 52-0000005  
**LINE E:** 01/01/00  
**LINE G(1):** X  
**LINE H(2)** X  
**LINE 1a:** 115862  
**LINE 1b:** 1816  
**LINE 9:** 28115  
**LINE 11:** 486  
**LINE 13:** 18500  
**LINE 14:** 2249

**LINE 20 - OTHER DEDUCTIONS (STM 01):**

ACCOUNTING	1500
ADVERTISING	3880
BANK CHARGES	312
INSURANCE	2897
OFFICE EXPENSE	474

**TEST #5 (Continued):**

**FORM 1065, PAGE 1 (Continued):**

**LINE 20 - OTHER DEDUCTIONS (STM 01) (Continued):**

TELEPHONE	1993
UTILITIES	1656

**FORM 1065 PAGE 2, SCHEDULE A:**

LINE 2:	42611
LINE 7:	3218
LINE 9a(i):	X
LINE 9d:	NO
LINE 9e:	NO

**FORM 1065 PAGE 2, SCHEDULE B:**

LINE 1a:	X
LINE 2:	NO
LINE 3:	NO
LINE 4:	NO
LINE 5:	YES
LINE 6:	NO
LINE 7:	NO
LINE 8:	NO
LINE 9:	NO
LINE 10:	NO
LINE 11:	NO
LINE 12:	0

**DESIGNATION OF TAX MATTERS PARTNER:**

NAME OF DESIGNATED TMP:	SARAH SALES
IDENTIFYING NUMBER OF TMP:	21 WEST 77TH STREET
ADDRESS OF DESIGNATED TMP:	REST STOP, PA. 19561
	001-05-0001

**FORM 1065 PAGE 4, SCHEDULE L:**

LINE 1(d):	14465
LINE 3(d):	3218
LINE 9a(c):	38558
LINE 9b(c):	6369
LINE 13 (STM 02):	
VARIOUS	3768
LINE 15:	5307

**TEST #5 (Continued):**

**FORM 1065 PAGE 4, SCHEDULE M-1:**

**LINE 1:** 5833

**SCHEDULE A (FORM 5713):**

**NAME OF COUNTRY BEING BOYCOTTED:** ISRAEL

**LINE a(1):** IRAQ

**LINE a(2):** 14200

**LINE a(3):** 11716

**LINE a(4):** 9788

**LINE 2a:** 41810

**LINE 2b:** 19325

**LINE 2c:** 32811

**SCHEDULE B (FORM 5713):**

**NAME OF COUNTRY BEING BOYCOTTED:** ISRAEL

**LINE a(1):** IRAQ

**LINE a(2):** 4000

**LINE a(3):** RAILROAD TRANSPORTAION

**LINE a(4):** 380

**LINE a(5):** 90

**SCHEDULE C (FORM 5713):**

**LINE 1a:** X

**LINE 2a:** 1000

**FORM 4562: ACTIVITY TO WHICH THIS FORM RELATES:  
FORM 1065, PAGE 1, LINE 22**

**FORM 4562, PART I:**

**LINE 2:** 5558

**LINE 6(a):** FURNITURE, FIXTURES & EQUIPMENT

**LINE 6(b):** 5558

**LINE 6(c):** 5558

**FORM 4562, PART II:**

**LINE 15(i)(b):** 01/01/98

**LINE 15(i)(c):** 33000

**FORM 4562, PART V, SECTION C:**

**LINE 35** NO

**TEST #5 (Continued):**

**FORM 4562, PART V, SECTION C (Continued):**

LINE 36 NO  
LINE 37 NO  
LINE 38 NO  
LINE 39 NO

**FORM 5713: ACTIVITY TO WHICH THIS FORM RELATES:  
FORM 1065, PAGE 3, LINE 17e.**

**FORM 5713, PAGE 1:**

TYPE OF FILER: PARTNERSHIP  
LINE 2(b): NAMES: IDENTIFYING NUMBER:  
SARAH SALES 001-05-0001  
CARRIE OUTZ 001-05-0002  
LINE 2(c): CODE: 4000  
DESCRIPTION: RAILROAD TRANSPORTATION  
LINE 3(a): 53640  
LINE 3(b): 11771

**FORM 5713, PAGE 2:**

LINE 7(a): Yes  
LINE 7(b): No  
LINE 7(c): No  
LINE 7(d): Yes  
LINE 7(e): No  
LINE 7(f): No  
LINE 7(g): No  
LINE 7(h): No  
LINE 7(i): No

**FORM 5713, PAGE 2, PART I:**

LINE 8: YES  
LINE 8a(1): IRAQ  
LINE 8a(2): 1  
LINE 8a(3): 4000  
LINE 8a(4): RAILROAD TRANSPORTION

**FORM 5713, PAGE 4, PART II:**

	Requests	Agreements
LINE 13a(1)(i):	NO	NO

**TEST #5 (Continued):**

**FORM 5713, PAGE 4, PART II (Continued):**

<b>LINE 13a(1)(ii):</b>	NO	NO
<b>LINE 13a(1)(iii):</b>	NO	NO
<b>LINE 13a(1)(iv):</b>	NO	NO
<b>LINE 13a(2):</b>	NO	NO

**SCHEDULE K-1 (FORM 1065), #1:**

PARTNER'S IDENTIFICATION NUMBER: 001-05-0001  
PARTNER'S NAME: SARAH SALES  
PARTNER'S ADDRESS: 21 W 77TH STREET  
REST STOP, PA 19561

DESIGNATED AS TMP  
**LINE A:** GENERAL PARTNER  
**LINE B:** INDIVIDUAL  
**LINE C:** DOMESTIC  
**LINE D(i):** BEFORE CHANGE OR TERMINATION:  
PROFIT SHARING 60.00000%  
LOSS SHARING 60.00000%  
OWNERSHIP OF CAPITAL 60.00000%  
**LINE D(ii):** END OF YEAR:  
PROFIT SHARING 60.00000%  
LOSS SHARING 60.00000%  
OWNERSHIP OF CAPITAL 60.00000%  
**LINE F:** OTHER 3184  
**LINE J(b):** 42500  
**LINE J(c):** 3500

**SCHEDULE K-1 (FORM 1065), #2:**

PARTNER'S IDENTIFICATION NUMBER: 001-05-0002  
PARTNER'S NAME: CARRIE OUTZ  
PARTNER'S ADDRESS: 1 BUCKEYE BLVD  
REST STOP, PA 19561

**LINE A:** GENERAL PARTNER  
**LINE B:** INDIVIDUAL  
**LINE C:** DOMESTIC  
**LINE D(i):** BEFORE CHANGE OR TERMINATION:  
PROFIT SHARING 40.00000%  
LOSS SHARING 40.00000%  
OWNERSHIP OF CAPITAL 40.00000%  
**LINE D(ii):** END OF YEAR:

**TEST #5 (Continued):**

**SCHEDULE K-1 (FORM 1065), #2 (Continued):**

	PROFIT SHARING	40.00000%
	LOSS SHARING	40.00000%
	OWNERSHIP OF CAPITAL	40.00000%
<b>LINE F:</b>	OTHER	2123
<b>LINE J(b):</b>		42500
<b>LINE J(c):</b>		3500

# U.S. Return of Partnership Income

OMB No. 1545-0099

For calendar year 2000, or tax year beginning \_\_\_\_\_, 2000, and ending \_\_\_\_\_, 20\_\_\_\_  
▶ See separate instructions.

**2000**

<b>A</b> Principal business activity <b>RETAIL STORE</b>	<b>Use the IRS label. Otherwise, please print or type.</b>	Name of partnership <b>MALL MADNESS PARTNERSHIP</b>	<b>D</b> Employer identification number <b>52 0000005</b>
<b>B</b> Principal product or service <b>RETAIL STORE</b>		Number, street, and room or suite no. If a P.O. box, see page 12 of the instructions. <b>5 ANY STREET</b>	<b>E</b> Date business started <b>01/01/00</b>
<b>C</b> Business code number <b>453220</b>		City or town, state, and ZIP code <b>ANYTOWN, PA 19621</b>	<b>F</b> Total assets (see page 12 of the instructions) \$ <b>53,640</b>

**G** Check applicable boxes: (1)  Initial return (2)  Final return (3)  Change in address (4)  Amended return  
**H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_  
**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ \_\_\_\_\_ **2**

**Caution:** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

<b>Income</b>	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b>	<b>115,862</b>			
	<b>b</b> Less returns and allowances. . . . .	<b>1b</b>	<b>1,816</b>		<b>1c</b>	<b>114,046</b>
	<b>2</b> Cost of goods sold (Schedule A, line 8) . . . . .	<b>2</b>				<b>39,393</b>
	<b>3</b> Gross profit. Subtract line 2 from line 1c. . . . .	<b>3</b>				<b>74,653</b>
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule). . . . .	<b>4</b>				
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .	<b>5</b>				
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 18. . . . .	<b>6</b>				
	<b>7</b> Other income (loss) (attach schedule). . . . .	<b>7</b>				
<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .	<b>8</b>					<b>74,653</b>
<b>Deductions</b> (see page 14 of the instructions for limitations)	<b>9</b> Salaries and wages (other than to partners) (less employment credits). . . . .	<b>9</b>				<b>28,115</b>
	<b>10</b> Guaranteed payments to partners . . . . .	<b>10</b>				
	<b>11</b> Repairs and maintenance . . . . .	<b>11</b>				<b>486</b>
	<b>12</b> Bad debts . . . . .	<b>12</b>				
	<b>13</b> Rent . . . . .	<b>13</b>				<b>18,500</b>
	<b>14</b> Taxes and licenses . . . . .	<b>14</b>				<b>2,249</b>
	<b>15</b> Interest . . . . .	<b>15</b>				
	<b>16a</b> Depreciation (if required, attach Form 4562) . . . . .	<b>16a</b>	<b>811</b>			
	<b>b</b> Less depreciation reported on Schedule A and elsewhere on return . . . . .	<b>16b</b>			<b>16c</b>	<b>811</b>
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .	<b>17</b>				
	<b>18</b> Retirement plans, etc. . . . .	<b>18</b>				
	<b>19</b> Employee benefit programs . . . . .	<b>19</b>				
	<b>20</b> Other deductions (attach schedule) . . . . .	<b>20</b>				<b>12,721</b>
<b>21 Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20 . . . . .	<b>21</b>					<b>62,882</b>
<b>22 Ordinary income (loss)</b> from trade or business activities. Subtract line 21 from line 8 . . . . .	<b>22</b>					<b>11,771</b>

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

**Please Sign Here**

Signature of general partner or limited liability company member \_\_\_\_\_ Date \_\_\_\_\_

**Paid Preparer's Use Only**

Preparer's signature \_\_\_\_\_ Date \_\_\_\_\_ Check if self-employed  Preparer's SSN or PTIN **001-99-0001**

Firm's name (or yours if self-employed), address, and ZIP code **ELECTRONIC TAX FILERS, INC** EIN **52 0000099**

**100 TECO DRIVE, RAIN TOWN, WA 98530** Phone no. ( ) \_\_\_\_\_

**Schedule A Cost of Goods Sold** (see page 17 of the instructions)

1	Inventory at beginning of year . . . . .	1	
2	Purchases less cost of items withdrawn for personal use . . . . .	2	42,611
3	Cost of labor . . . . .	3	
4	Additional section 263A costs (attach schedule) . . . . .	4	
5	Other costs (attach schedule) . . . . .	5	
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6	42,611
7	Inventory at end of year . . . . .	7	3,218
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8	39,393

- 9a Check all methods used for valuing closing inventory:
- (i)  Cost as described in Regulations section 1.471-3
  - (ii)  Lower of cost or market as described in Regulations section 1.471-4
  - (iii)  Other (specify method used and attach explanation) ▶ .....
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c). . . . ▶
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . ▶
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? . .  Yes  No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information**

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input checked="" type="checkbox"/> Domestic general partnership		
b <input type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶ .....		
2 Are any partners in this partnership also partnerships? . . . . .		X
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment . . . . .		X
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see <b>Designation of Tax Matters Partner</b> below . . . . .		X
5 Does this partnership meet <b>all three</b> of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000; <b>and</b>		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 . . . . .	X	
6 Does this partnership have any foreign partners? . . . . .		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? . . . . .		X
8 Has this partnership filed, or is it required to file, <b>Form 8264</b> , Application for Registration of a Tax Shelter? . . . . .		X
9 At any time during calendar year 2000, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 18 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶ .....		X
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 18 of the instructions . . . . .		X
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under <b>Elections Made By the Partnership</b> on page 7 of the instructions . . . . .		X
12 Enter the number of Forms 8865 attached to this return ▶ .....		0

**Designation of Tax Matters Partner** (see page 18 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶	SARAH SALES	Identifying number of TMP ▶	001-05-0001
Address of designated TMP ▶	21 WEST 77TH STREET REST STOP, PA 19561		

**Schedule K Partners' Shares of Income, Credits, Deductions, etc.**

		(a) Distributive share items	(b) Total amount		
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 22)	1	11,771	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2		
	3a	Gross income from other rental activities	3a		
		b	Expenses from other rental activities (attach schedule)	3b	
	c		Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss): a Interest income	4a		
		b Ordinary dividends	4b		
		c Royalty income	4c		
		d Net short-term capital gain (loss) (attach Schedule D (Form 1065))	4d		
		e	Net long-term capital gain (loss) (attach Schedule D (Form 1065)):		
			(1) 28% rate gain (loss) (2) Total for year	4e(2)	
	f	Other portfolio income (loss) (attach schedule)	4f		
	5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6			
7	Other income (loss) (attach schedule)	7			
Deductions	8	Charitable contributions (attach schedule)	8		
	9	Section 179 expense deduction (attach Form 4562)	9	5,558	
	10	Deductions related to portfolio income (itemize)	10		
	11	Other deductions (attach schedule)	11		
Credits	12a	Low-income housing credit:			
	(1)	From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12a(1)		
	(2)	Other than on line 12a(1) for property placed in service before 1990	12a(2)		
	(3)	From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12a(3)		
	(4)	Other than on line 12a(3) for property placed in service after 1989	12a(4)		
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b		
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c		
d	Credits related to other rental activities	12d			
13	Other credits	13			
Investment Interest	14a	Interest expense on investment debts	14a		
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)		
		(2) Investment expenses included on line 10 above	14b(2)		
Self-Employment	15a	Net earnings (loss) from self-employment	15a	11,771	
	b	Gross farming or fishing income	15b		
	c	Gross nonfarm income	15c	74,653	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	20	
	b	Adjusted gain or loss	16b		
	c	Depletion (other than oil and gas)	16c		
	d	(1) Gross income from oil, gas, and geothermal properties	16d(1)		
		(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)		
	e	Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a	Name of foreign country or U.S. possession			
	b	Total gross income sourced at partner level	17b		
	c	Total gross income sourced at partnership level (attach schedule):			
		(1) U.S. source and listed categories (2) Passive (3) General limitation	17c(3)		
		d	Deductions allocated and apportioned at partner level:		
	(1)	Interest expense (2) Other	17d(2)		
	e	Deductions allocated and apportioned at partnership level (attach schedule):			
		(1) U.S. source and listed categories (2) Passive (3) General limitation	17e(3)		
f		Total foreign taxes (check one): Paid <input checked="" type="checkbox"/> Accrued <input type="checkbox"/>	17f	380	
g	Reduction in taxes available for credit (attach schedule)	17g			
Other	18	Section 59(e)(2) expenditures: a Type b Amount	18b		
	19	Tax-exempt interest income	19		
	20	Other tax-exempt income	20		
	21	Nondeductible expenses	21		
	22	Distributions of money (cash and marketable securities)	22		
	23	Distributions of property other than money	23		
	24	Other items and amounts required to be reported separately to partners (attach schedule)			

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17f, and 18b . . . . .						1	5,833
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners		5,833					
b Limited partners							

**Schedule L Balance Sheets per Books** (Not required if Question 5 on Schedule B is answered "Yes.")

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash . . . . .				14,465
2a Trade notes and accounts receivable . . . . .				
b Less allowance for bad debts . . . . .				
3 Inventories . . . . .				3,218
4 U.S. government obligations . . . . .				
5 Tax-exempt securities . . . . .				
6 Other current assets (attach schedule) . . . . .				
7 Mortgage and real estate loans . . . . .				
8 Other investments (attach schedule) . . . . .				
9a Buildings and other depreciable assets . . . . .			38,558	
b Less accumulated depreciation . . . . .			6,369	32,189
10a Depletable assets . . . . .				
b Less accumulated depletion . . . . .				
11 Land (net of any amortization) . . . . .				
12a Intangible assets (amortizable only). . . . .				
b Less accumulated amortization . . . . .				
13 Other assets (attach schedule) . . . . .				3,768
14 <b>Total assets</b> . . . . .				53,640
<b>Liabilities and Capital</b>				
15 Accounts payable . . . . .				5,307
16 Mortgages, notes, bonds payable in less than 1 year . . . . .				
17 Other current liabilities (attach schedule) . . . . .				
18 All nonrecourse loans . . . . .				
19 Mortgages, notes, bonds payable in 1 year or more . . . . .				
20 Other liabilities (attach schedule) . . . . .				
21 Partners' capital accounts . . . . .				48,333
22 <b>Total liabilities and capital</b> . . . . .				53,640

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return** (Not required if Question 5 on Schedule B is answered "Yes." See page 29 of the instructions.)

1 Net income (loss) per books . . . . .	5,833	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): . . . . .		a Tax-exempt interest \$ . . . . .	
3 Guaranteed payments (other than health insurance) . . . . .		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17f, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17f, and 18b (itemize):		a Depreciation \$ . . . . .	
a Depreciation \$ . . . . .		8 Add lines 6 and 7 . . . . .	
b Travel and entertainment \$ . . . . .		9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 . . . . .	5,833
5 Add lines 1 through 4 . . . . .	5,833		

**Schedule M-2 Analysis of Partners' Capital Accounts** (Not required if Question 5 on Schedule B is answered "Yes.")

1 Balance at beginning of year . . . . .		6 Distributions: a Cash . . . . .	
2 Capital contributed during year . . . . .	42,500	b Property . . . . .	
3 Net income (loss) per books . . . . .	5,833	7 Other decreases (itemize): . . . . .	
4 Other increases (itemize): . . . . .		8 Add lines 6 and 7 . . . . .	
5 Add lines 1 through 4 . . . . .	48,333	9 Balance at end of year. Subtract line 8 from line 5 . . . . .	48,333



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-05-0001  
 Partner's name, address, and ZIP code #1  
**SARAH SALES**  
**21 W. 77TH STREET**  
**REST STOP, PA 19561**

**Partnership's identifying number** ▶ 52:0000005  
 Partnership's name, address, and ZIP code  
**MALL MADNESS PARTNERSHIP**  
**5 ANY STREET**  
**ANYTOWN, PA 19621**

**A** This partner is a  general partner  limited partner  
 limited liability company member  
**B** What type of entity is this partner? ▶ **INDIVIDUAL**  
**C** Is this partner a  domestic or a  foreign partner?  
**D** Enter partner's percentage of:  
 Profit sharing . . . . . **60.0000** % **60.0000** %  
 Loss sharing . . . . . **60.0000** % **60.0000** %  
 Ownership of capital . . . . . **60.0000** % **60.0000** %  
**E** IRS Center where partnership filed return: **PHILADELPHIA**

**F** Partner's share of liabilities (see instructions):  
 Nonrecourse . . . . . \$ .....  
 Qualified nonrecourse financing . . . . . \$ .....  
 Other . . . . . \$ **3,184**.....  
**G** Tax shelter registration number . . . . .  
**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .   
**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
	<b>42,500</b>	<b>3,500</b>	<b>( 0 )</b>	<b>46,000</b>

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	<b>1</b> Ordinary income (loss) from trade or business activities . . . . .	<b>1</b> <b>7,063</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>2</b> Net income (loss) from rental real estate activities . . . . .	<b>2</b>	
	<b>3</b> Net income (loss) from other rental activities . . . . .	<b>3</b>	
	<b>4</b> Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	<b>a</b> Interest . . . . .	<b>4a</b>	
	<b>b</b> Ordinary dividends . . . . .	<b>4b</b>	
	<b>c</b> Royalties . . . . .	<b>4c</b>	
<b>d</b> Net short-term capital gain (loss) . . . . .	<b>4d</b>		
<b>e</b> Net long-term capital gain (loss):			
<b>(1)</b> 28% rate gain (loss) . . . . .	<b>e(1)</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
<b>(2)</b> Total for year. . . . .	<b>e(2)</b>		
<b>f</b> Other portfolio income (loss) (attach schedule) . . . . .	<b>4f</b>	} Enter on applicable line of your return.	
<b>5</b> Guaranteed payments to partner . . . . .	<b>5</b>		
<b>6</b> Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	<b>6</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
<b>7</b> Other income (loss) (attach schedule) . . . . .	<b>7</b>		
<b>Deductions</b>	<b>8</b> Charitable contributions (see instructions) (attach schedule) . . . . .	<b>8</b>	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>9</b> Section 179 expense deduction . . . . .	<b>9</b> <b>3,335</b>	
	<b>10</b> Deductions related to portfolio income (attach schedule) . . . . .	<b>10</b>	
	<b>11</b> Other deductions (attach schedule) . . . . .	<b>11</b>	
<b>Credits</b>	<b>12a</b> Low-income housing credit:		} Form 8586, line 5
	<b>(1)</b> From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	<b>a(1)</b>	
	<b>(2)</b> Other than on line 12a(1) for property placed in service before 1990 . . . . .	<b>a(2)</b>	
	<b>(3)</b> From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	<b>a(3)</b>	
	<b>(4)</b> Other than on line 12a(3) for property placed in service after 1989 . . . . .	<b>a(4)</b>	
	<b>b</b> Qualified rehabilitation expenditures related to rental real estate activities . . . . .	<b>12b</b>	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>c</b> Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	<b>12c</b>	
	<b>d</b> Credits related to other rental activities . . . . .	<b>12d</b>	
<b>13</b> Other credits . . . . .	<b>13</b>		

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a Interest expense on investment debts . . . . .	14a	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b (1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1)	
	(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a Net earnings (loss) from self-employment . . . . .	15a	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b Gross farming or fishing income . . . . .	15b	
	c Gross nonfarm income . . . . .	15c	
Adjustments and Tax Preference Items	16a Depreciation adjustment on property placed in service after 1986 . . . . .	16a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b Adjusted gain or loss . . . . .	16b	
	c Depletion (other than oil and gas) . . . . .	16c	
	d (1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
e Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a Name of foreign country or U.S. possession ▶ . . . . .	17a	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.
	b Total gross income sourced at partner level . . . . .	17b	
	c Total gross income sourced at partnership level (attach schedule):		
	(1) U.S. source and listed categories . . . . .	17c(1)	
	(2) Passive . . . . .	17c(2)	
	(3) General limitation . . . . .	17c(3)	
	d Deductions allocated and apportioned at partner level:		
	(1) Interest expense . . . . .	17d(1)	
	(2) Other . . . . .	17d(2)	
	e Deductions allocated and apportioned at partnership level (attach schedule):		
	(1) U.S. source and listed categories . . . . .	17e(1)	
(2) Passive . . . . .	17e(2)		
(3) General limitation . . . . .	17e(3)		
f Total foreign taxes (check one): <input checked="" type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f	228	
g Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	18 Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b Amount . . . . .	18b	
	19 Tax-exempt interest income . . . . .	19	Form 1040, line 8b
	20 Other tax-exempt income . . . . .	20	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	21 Nondeductible expenses . . . . .	21	
	22 Distributions of money (cash and marketable securities) . . . . .	22	
	23 Distributions of property other than money . . . . .	23	} Form 8611, line 8
	24 Recapture of low-income housing credit:		
a From section 42(j)(5) partnerships . . . . .	24a		
b Other than on line 24a . . . . .	24b		
Supplemental Information	25 Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
	ITEM J (C) - CAPITAL ACCOUNT ADJUSTMENTS:		
	ORDINARY INCOME (LOSS)	7,063	
	SECTION 179 EXPENSE	(3,335)	
	FOREIGN TAX EXPENSE	(228)	
	TOTAL	3,500	
	-----		
	-----		
	-----		
	-----		
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**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

Partner's identifying number ▶ **001-05-0002**

Partnership's identifying number ▶ **52:0000005**

Partner's name, address, and ZIP code # **2**

Partnership's name, address, and ZIP code

**CARRIE OUTZ  
1 BUCKEYE BLVD.  
REST STOP, PA 19561**

**MALL MADNESS PARTNERSHIP  
5 ANY STREET  
ANYTOWN, PA 19621**

**A** This partner is a  general partner  limited partner  
 limited liability company member

**F** Partner's share of liabilities (see instructions):  
Nonrecourse . . . . . \$ .....  
Qualified nonrecourse financing . . . . . \$ .....  
Other . . . . . \$ **2,123**

**B** What type of entity is this partner? ▶ **INDIVIDUAL**

**C** Is this partner a  domestic or a  foreign partner?

**D** Enter partner's percentage of:  
Profit sharing . . . . . **40.0000** % **40.0000** %  
Loss sharing . . . . . **40.0000** % **40.0000** %  
Ownership of capital . . . . . **40.0000** % **40.0000** %  
(i) Before change or termination year (ii) End of year

**G** Tax shelter registration number . . . . . ▶ .....

**E** IRS Center where partnership filed return: **PHILADELPHIA**

**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .

**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
		<b>2,333</b>	( <b>0</b> )	<b>2,333</b>

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Income (Loss)	<b>1</b> Ordinary income (loss) from trade or business activities . . . . .	<b>1</b> <b>4,708</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>2</b> Net income (loss) from rental real estate activities . . . . .	<b>2</b>	
	<b>3</b> Net income (loss) from other rental activities . . . . .	<b>3</b>	
	<b>4</b> Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	<b>a</b> Interest . . . . .	<b>4a</b>	
	<b>b</b> Ordinary dividends . . . . .	<b>4b</b>	
	<b>c</b> Royalties . . . . .	<b>4c</b>	
<b>d</b> Net short-term capital gain (loss) . . . . .	<b>4d</b>		
<b>e</b> Net long-term capital gain (loss):			
<b>(1)</b> 28% rate gain (loss) . . . . .	<b>e(1)</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
<b>(2)</b> Total for year. . . . .	<b>e(2)</b>		
<b>f</b> Other portfolio income (loss) (attach schedule) . . . . .	<b>4f</b>	} Enter on applicable line of your return.	
<b>5</b> Guaranteed payments to partner . . . . .	<b>5</b>		
<b>6</b> Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	<b>6</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
<b>7</b> Other income (loss) (attach schedule) . . . . .	<b>7</b>		
Deductions	<b>8</b> Charitable contributions (see instructions) (attach schedule) . . . . .	<b>8</b>	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>9</b> Section 179 expense deduction . . . . .	<b>9</b> <b>2,223</b>	
	<b>10</b> Deductions related to portfolio income (attach schedule) . . . . .	<b>10</b>	
	<b>11</b> Other deductions (attach schedule) . . . . .	<b>11</b>	
Credits	<b>12a</b> Low-income housing credit:		} Form 8586, line 5
	<b>(1)</b> From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	<b>a(1)</b>	
	<b>(2)</b> Other than on line 12a(1) for property placed in service before 1990 . . . . .	<b>a(2)</b>	
	<b>(3)</b> From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	<b>a(3)</b>	
	<b>(4)</b> Other than on line 12a(3) for property placed in service after 1989 . . . . .	<b>a(4)</b>	
	<b>b</b> Qualified rehabilitation expenditures related to rental real estate activities . . . . .	<b>12b</b>	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>c</b> Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	<b>12c</b>	
	<b>d</b> Credits related to other rental activities . . . . .	<b>12d</b>	
<b>13</b> Other credits . . . . .	<b>13</b>		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:	
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	b (1)	(1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1)		
	b (2)	(2) Investment expenses included on line 10 . . . . .	b(2)		
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	b	Gross farming or fishing income . . . . .	15b		
	c	Gross nonfarm income . . . . .	15c		
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.	
	b	Adjusted gain or loss . . . . .	16b		
	c	Depletion (other than oil and gas) . . . . .	16c		
	d (1)	(1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)		
	d (2)	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)		
e	Other adjustments and tax preference items (attach schedule)	16e			
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶	17a	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.	
	b	Total gross income sourced at partner level . . . . .	17b		
	c	Total gross income sourced at partnership level (attach schedule):	(1) U.S. source and listed categories . . . . .		17c(1)
			(2) Passive . . . . .		17c(2)
			(3) General limitation . . . . .		17c(3)
	d	Deductions allocated and apportioned at partner level:	(1) Interest expense . . . . .		17d(1)
			(2) Other . . . . .		17d(2)
	e	Deductions allocated and apportioned at partnership level (attach schedule):	(1) U.S. source and listed categories . . . . .		17e(1)
			(2) Passive . . . . .		17e(2)
			(3) General limitation . . . . .		17e(3)
f	Total foreign taxes (check one): <input checked="" type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f	152		
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .				
Other	18	Section 59(e)(2) expenditures: a Type ▶	18a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	b	Amount . . . . .	18b		
	19	Tax-exempt interest income . . . . .	19	Form 1040, line 8b	
	20	Other tax-exempt income . . . . .	20	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).	
	21	Nondeductible expenses . . . . .	21		
	22	Distributions of money (cash and marketable securities) . . . . .	22		
	23	Distributions of property other than money . . . . .		23	
			23		
24	Recapture of low-income housing credit:	a From section 42(j)(5) partnerships . . . . .	24a	} Form 8611, line 8	
		b Other than on line 24a . . . . .	24b		
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed): ITEM J (C) - CAPITAL ACCOUNT ADJUSTMENTS: ORDINARY INCOME (LOSS) 4,708 SECTION 179 EXPENSE (2,223) FOREIGN TAX EXPENSE (152) TOTAL 2,333			



**TEST # 6**

**FORMS REQUIRED:**

1065, A (8609), 4562, 8275, 8275-R, 8586, 8609, 8693, 8825  
2 K-1s (1065)

**FORM 1065, PAGE 1: IDENTIFYING INFORMATION:**

**NAME OF PARTNERSHIP:**

TAX CREDIT LIMITED PARTNERSHIP  
16 ANY STREET  
ANYTOWN, MA 09010

**NAME OF PREPARER:**

ELECTRONIC TAX FILERS, INC.  
100 TECHO DRIVE  
RAINTOWN, WA 98530  
EIN: 52-0000099  
PREPARER SSN: 001-99-0001

**FORM 1065, PAGE 1:**

LINE A: REAL ESTATE  
LINE B: RENTAL  
LINE C: 531110  
LINE D: 52-0000006  
LINE E: 06/16/88  
LINE G(3): X  
LINE H(2): X

**FORM 1065, PAGE 2, SCHEDULE A:**

LINE 9(d): No  
LINE 9(e): No

**FORM 1065, PAGE 2, SCHEDULE B:**

LINE 1b: X  
LINE 2: YES  
LINE 3: NO  
LINE 4: YES  
LINE 5: NO  
LINE 6: NO  
LINE 7: NO  
LINE 8: NO

**TEST # 6 (Continued):**

**FORM 1065, PAGE 2, SCHEDULE B (Continued):**

**LINE 9:** NO  
**LINE 10:** NO  
**LINE 11:** NO  
**LINE 12:** 0  
NAME OF DESIGNATED TMP: ANNE APPRECIATION  
IDENTIFYING NUMBER OF TMP: 001-06-0001  
ADDRESS OF DESIGNATED TMP:  
1950 ROLLING ROAD, SUITE 900  
BALTIMORE, MD 21227

**FORM 1065, PAGE 3, SCHEDULE K:**

**LINE 4a:** 1952  
**LINE 16a:** 8690

**FORM 1065, PAGE 4, SCHEDULE L:**

**LINE 1(b):** 15952  
**LINE 1(d):** 27513  
**LINE 2a(a):** 9793  
**LINE 2a(c):** 9705  
**LINE 6(b) (STM 01):**  
PREPAID REAL ESTATE TAXES 3987  
PREPAID INSURANCE 1026  
PREPAID PROPERTY TAXES 4000  
INTERCOMPANY - DUE TO HAMPSTEAD 1094  
**LINE 6(d) (STM 02):**  
PREPAID REAL ESTATE TAXES 3987  
PREPAID INSURANCE 1083  
**LINE 8(b) (STM 03):**  
REPLACEMENT RESERVE 35957  
TAX ESCROW ACCOUNT 9822  
SECURITY DEPOSIT FUND 8811  
**LINE 8(d) (STM 04):**  
REPLACEMENT RESERVE 46825  
TAX ESCROW ACCOUNT 10258  
SECURITY DEPOSIT FUND 9593  
**LINE 9a(a):** 1091145  
**LINE 9a(c):** 1091145  
**LINE 9b(a):** 444937

**TEST # 6 (Continued):**

**FORM 1065, PAGE 4, SCHEDULE L (Continued):**

**LINE 9b(c):** 487028  
**LINE 11b:** 75000  
**LINE 11d:** 75000  
**LINE 12a(a):** 27766  
**LINE 12a(c):** 27766  
**LINE 12b(a):** 8750  
**LINE 12b(c):** 9217  
**LINE 15(b):** 1502  
**LINE 15(d):** 318

**LINE 17(b) (STM 05):**

TENANTS' SECURITY DEPOSITS	6654
ACCRUED INTEREST PAYABLE	6921
ACCRUED AUDIT FEES	3065
PAYROLL TAXES PAYABLE	360

**LINE 17(d) (STM 06):**

TENANT'S SECURITY DEPOSITS	7495
ACCRUED INTEREST PAYABLE	6903
ACCRUED AUDIT FEES	3050
PAYROLL TAXES PAYABLE	14502
LOAN PAYABLE - GENERAL PARTNER	12300

**LINE 18(b):** 922765

**LINE 18(d):** 920446

**FORM 1065, PAGE 4, SCHEDULE M-1:**

**LINE 1:** -31483

**FORM 1065, PAGE 4, SCHEDULE M-2:**

**LINE 1:** -110601

**LINE 3:** -31483

**LINE 6a:** 16300

**SCHEDULE A (FORM 8609):**

**LINE C:** MD88-13001

**LINE 1:** 531818

**LINE 2:** 1.0000

**LINE 5:** 0.0385



**TEST # 6 (Continued):**

**FORM 8275-R, PART I:**

**LINE 1(a):** 1.42-16(a)  
**LINE 1(b):** ELIGIBLE BASIS  
**LINE 1(c):** ELIGIBLE BASIS  
**LINE 1(d):** Sch A (Form 8609)  
**LINE 1(e):** 1  
**LINE 1(f):** 531818

**FORM 8275-R, PART II:**

**LINE 1:** TAX CREDIT LIMITED PARTNERSHIP DID NOT REDUCE THE ABOVE ELIGIBLE BASIS FOR A \$150,000 FEDERAL HODAG GRANT AS REQUIRED BY THE ABOVE REGULATIONS.

**FORM 8586 (No entries required):**

**FORM 8609, PART I:**

**LINE A:** 200 PLEASANT STREET  
HAMPSTEAD,. MARYLAND 21704  
**LINE B:** DHCD/CDA  
45 CALVERT STREET  
ANNAPOLIS, MARYLAND 21401  
**LINE C:** TAX CREDIT LIMITED PARTNERSHIP  
6 ANY STREET  
ANYTOWN, MA 09010  
52-0000006  
**LINE D:** 52-6002033  
**LINE E:** MD88-13001  
**LINE 1a:** 12/30/88  
**LINE 1b:** 21600  
**LINE 2:** 4.0%  
**LINE 3a:** 540000  
**LINE 4:** 0%  
**LINE 6a:** X

**FORM 8609, PART II:**

**LINE 7a:** 06/16/88  
**LINE 7b:** 531818  
**LINE 8a:** 531818  
**LINE 8b:** No

**TEST # 6 (Continued):**

**FORM 8609, PART II (Continued):**

**LINE 9a:** No  
**LINE 9b:** No  
**LINE 10a:** Yes  
**LINE 10c:** 20-50

**FORM 8693, PART I:**

**LINE 1:** 210 PLEASANT STREET  
HAMPSTEAD, MARYLAND 21704  
**LINE 2:** MD 88-13002  
**LINE 3:** 9/1/2008  
**LINE 4:** Original Bond  
**LINE 5:** 6/30/95  
**LINE 6:** 6/30/95  
**LINE 7a:** LIHTC BOND GUARANTORS, INC. (202) 378-2166  
100 L STREET, NW, SUITE 100, WASHINGTON, DC 20006

**FORM 8693, PART III:**

**NAMES:** JOSEPH I. GUARANTEE

**FORM 8825:**

**LINE A:** PLEASANT ACRES APARTMENTS, HAMPSTEAD, MD.  
20 APARTMENTS OPERATED UNDER FmHA 515 RRH PROGRAM  
**LINE 2:** 163640  
**LINE 5:** 10260  
**LINE 7:** 2808  
**LINE 8:** 3080  
**LINE 9:** 96791  
**LINE 10:** 5189  
**LINE 11:** 8910  
**LINE 12:** 2479  
**LINE 13:** 10696

**LINE 15 - OTHER (LIST):**

OFFICE SUPPLIES	626
AMORTIZATION (FROM FORM 4562)	467
OFFICE MODEL RENT	1964
OTHER EXPENSES (STM 07):	
MANAGEMENT FEE	8971
TELEPHONE	519

**TEST # 6 (Continued):**

**FORM 8825 (Continued):**

**LINE 15 - OTHER (LIST) (Continued):**

OTHER EXPENSES (STM 07) (Continued):

MISCELLANEOUS	1593
TRAINING	131
BANK SERVICE FEES	9
EMPLOYEE BENEFITS	491

**LINE 20b(1):** AFFORDABLE HOUSING L.P.

**LINE 20b(1):** AFFORDABLE HOUSING, L.P.

**LINE 20b(2):** 52-0000097

**SCHEDULE K-1 (FORM 1065) #1:**

PARTNER'S IDENTIFYING NUMBER: 001-06-0001

PARTNER'S NAME: ANNE APPRECIATION

PARTNER'S ADDRESS: 1900 ROLLING ROAD SUITE 900  
BALTIMORE, MD 21227

**LINE A:** GENERAL PARTNER

**LINE B:** INDIVIDUAL

**LINE C:** DOMESTIC

**LINE D(i):** PROFIT SHARING 5.00000%

LOSS SHARING 5.00000%

OWNERSHIP OF CAPITAL 5.00000%

**LINE D(ii):** PROFIT SHARING 5.00000%

LOSS SHARING 5.00000%

OWNERSHIP OF CAPITAL 5.00000%

**LINE E:** ANDOVER

**LINE F:** QUALIFIED NONRECOURSE FINANCING 46022

OTHER 44568

**LINE J(a):** -32016

**LINE J(c):** -1574

**LINE J(d):** 815

**SCHEDULE K-1 (FORM 1065) #2:**

PARTNER'S IDENTIFYING NUMBER: 52-1060002

PARTNER'S NAME: LIHTC INVESTMENT LIMITED PARTNERSHIP

PARTNER'S ADDRESS: C/O BIG CAPITAL CORPORATION  
PO BOX 900  
ATLANTA, GA 30214

**LINE A:** LIMITED PARTNER

**TEST # 6 (Continued):**

**SCHEDULE K-1 (FORM 1065) #2 (Continued):**

<b>LINE B:</b>	PARTNERSHIP		
<b>LINE C:</b>	DOMESTIC		
<b>LINE D(i):</b>	PROFIT SHARING	95.00000%	
	LOSS SHARING	95.00000%	
	OWNERSHIP OF CAPITAL	95.00000%	
<b>LINE D(ii):</b>	PROFIT SHARING	95.00000%	
	LOSS SHARING	95.00000%	
<b>LINE D(ii):</b>	OWNERSHIP OF CAPITAL	95.00000%	
<b>LINE E:</b>	ANDOVER		
<b>LINE F:</b>	QUALIFIED NONRECOURSE FINANCING		874424
<b>LINE J(a):</b>	-78585		
<b>LINE J(c):</b>	-29909		
<b>LINE J(d):</b>	15485		

# U.S. Return of Partnership Income

OMB No. 1545-0099

For calendar year 2000, or tax year beginning \_\_\_\_\_, 2000, and ending \_\_\_\_\_, 20\_\_\_\_  
▶ See separate instructions.

**2000**

<b>A</b> Principal business activity <b>REAL ESTATE</b>	<b>Use the IRS label. Otherwise, please print or type.</b>	Name of partnership <b>TAX CREDIT LIMITED PARTNERSHIP</b>	<b>D</b> Employer identification number <b>52-0000006</b>
<b>B</b> Principal product or service <b>RENTAL</b>		Number, street, and room or suite no. If a P.O. box, see page 12 of the instructions. <b>6 ANY STREET</b>	<b>E</b> Date business started <b>6/16/88</b>
<b>C</b> Business code number <b>531110</b>		City or town, state, and ZIP code <b>ANYTOWN, MA 09010</b>	<b>F</b> Total assets (see page 12 of the instructions) \$ <b>806,630</b>

**G** Check applicable boxes: (1)  Initial return (2)  Final return (3)  Change in address (4)  Amended return

**H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_

**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ \_\_\_\_\_ **2**

**Caution:** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

<b>Income</b>	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b>			
	<b>b</b> Less returns and allowances . . . . .	<b>1b</b>			<b>1c</b>
	<b>2</b> Cost of goods sold (Schedule A, line 8) . . . . .				<b>2</b>
	<b>3</b> Gross profit. Subtract line 2 from line 1c . . . . .				<b>3</b>
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule) . . . . .				<b>4</b>
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .				<b>5</b>
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 18. . . . .				<b>6</b>
	<b>7</b> Other income (loss) (attach schedule) . . . . .				<b>7</b>
	<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .				<b>8</b>
<b>Deductions</b> (see page 14 of the instructions for limitations)	<b>9</b> Salaries and wages (other than to partners) (less employment credits) . . . . .				<b>9</b>
	<b>10</b> Guaranteed payments to partners . . . . .				<b>10</b>
	<b>11</b> Repairs and maintenance . . . . .				<b>11</b>
	<b>12</b> Bad debts . . . . .				<b>12</b>
	<b>13</b> Rent . . . . .				<b>13</b>
	<b>14</b> Taxes and licenses . . . . .				<b>14</b>
	<b>15</b> Interest . . . . .				<b>15</b>
	<b>16a</b> Depreciation (if required, attach Form 4562) . . . . .	<b>16a</b>			
	<b>b</b> Less depreciation reported on Schedule A and elsewhere on return . . . . .	<b>16b</b>			<b>16c</b>
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .				<b>17</b>
	<b>18</b> Retirement plans, etc. . . . .				<b>18</b>
<b>19</b> Employee benefit programs . . . . .				<b>19</b>	
<b>20</b> Other deductions (attach schedule) . . . . .				<b>20</b>	
<b>21 Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20 . . . . .				<b>21</b>	
<b>22 Ordinary income (loss)</b> from trade or business activities. Subtract line 21 from line 8 . . . . .				<b>22</b>	

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

**Please Sign Here**

Signature of general partner or limited liability company member \_\_\_\_\_ Date \_\_\_\_\_

**Paid Preparer's Use Only**

Preparer's signature \_\_\_\_\_ Date \_\_\_\_\_ Check if self-employed  Preparer's SSN or PTIN **001-99-0001**

Firm's name (or yours if self-employed), address, and ZIP code **ELETRONIC TAX FILERS, INC. 100 TECO DRIVE RAIN TOWN, WA 98530** EIN **52-0000099** Phone no. ( ) \_\_\_\_\_

**Schedule A Cost of Goods Sold** (see page 17 of the instructions)

1	Inventory at beginning of year . . . . .	1		
2	Purchases less cost of items withdrawn for personal use . . . . .	2		
3	Cost of labor . . . . .	3		
4	Additional section 263A costs (attach schedule) . . . . .	4		
5	Other costs (attach schedule) . . . . .	5		
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6		
7	Inventory at end of year . . . . .	7		
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8		

- 9a Check all methods used for valuing closing inventory:
- (i)  Cost as described in Regulations section 1.471-3
  - (ii)  Lower of cost or market as described in Regulations section 1.471-4
  - (iii)  Other (specify method used and attach explanation) ▶ .....
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c). . . . ▶
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . ▶
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? . .  Yes  No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information**

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input type="checkbox"/> Domestic general partnership		
b <input checked="" type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶ .....		
2 Are any partners in this partnership also partnerships? . . . . .	X	
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment . . . . .		X
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see <b>Designation of Tax Matters Partner</b> below . . . . .	X	
5 Does this partnership meet <b>all three</b> of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000; <b>and</b>		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 . . . . .		X
6 Does this partnership have any foreign partners? . . . . .		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? . . . . .		X
8 Has this partnership filed, or is it required to file, <b>Form 8264</b> , Application for Registration of a Tax Shelter? . . . . .		X
9 At any time during calendar year 2000, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 18 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶ .....		X
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 18 of the instructions . . . . .		X
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under <b>Elections Made By the Partnership</b> on page 7 of the instructions . . . . .		X
12 Enter the number of Forms 8865 attached to this return ▶ .....		0

**Designation of Tax Matters Partner** (see page 18 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶ **ANNE APPRECIATION** Identifying number of TMP ▶ **001-06-0001**

Address of designated TMP ▶ **1950 ROLLING ROAD, SUITE 900**  
**BALTIMORE, MD 21227**

**Schedule K** Partners' Shares of Income, Credits, Deductions, etc.

		(a) Distributive share items	(b) Total amount		
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 22)	1		
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	(33,435)	
	3a	Gross income from other rental activities	3a		
		b	Expenses from other rental activities (attach schedule)	3b	
	c		Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss): a Interest income	4a	1,952	
		b Ordinary dividends	4b		
		c Royalty income	4c		
		d Net short-term capital gain (loss) (attach Schedule D (Form 1065))	4d		
		e	Net long-term capital gain (loss) (attach Schedule D (Form 1065)):		
			(1) 28% rate gain (loss) (2) Total for year	4e(2)	
	f	Other portfolio income (loss) (attach schedule)	4f		
	5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6			
7	Other income (loss) (attach schedule)	7			
Deductions	8	Charitable contributions (attach schedule)	8		
	9	Section 179 expense deduction (attach Form 4562)	9		
	10	Deductions related to portfolio income (itemize)	10		
	11	Other deductions (attach schedule)	11		
Credits	12a	Low-income housing credit:			
	(1)	From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12a(1)		
	(2)	Other than on line 12a(1) for property placed in service before 1990	12a(2)		
	(3)	From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12a(3)		
	(4)	Other than on line 12a(3) for property placed in service after 1989	12a(4)		
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b		
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c		
d	Credits related to other rental activities	12d			
13	Other credits	13			
Investment Interest	14a	Interest expense on investment debts	14a		
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	1,952	
		(2) Investment expenses included on line 10 above	14b(2)		
Self-Employment	15a	Net earnings (loss) from self-employment	15a		
	b	Gross farming or fishing income	15b		
	c	Gross nonfarm income	15c		
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	8,690	
	b	Adjusted gain or loss	16b		
	c	Depletion (other than oil and gas)	16c		
	d	(1) Gross income from oil, gas, and geothermal properties	16d(1)		
		(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)		
	e	Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a	Name of foreign country or U.S. possession			
	b	Total gross income sourced at partner level	17b		
	c	Total gross income sourced at partnership level (attach schedule):			
		(1) U.S. source and listed categories (2) Passive (3) General limitation	17c(3)		
		d	Deductions allocated and apportioned at partner level:		
	(1)	Interest expense (2) Other	17d(2)		
	e	Deductions allocated and apportioned at partnership level (attach schedule):			
		(1) U.S. source and listed categories (2) Passive (3) General limitation	17e(3)		
f	Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17f			
g	Reduction in taxes available for credit (attach schedule)	17g			
Other	18	Section 59(e)(2) expenditures: a Type b Amount	18b		
	19	Tax-exempt interest income	19		
	20	Other tax-exempt income	20		
	21	Nondeductible expenses	21		
	22	Distributions of money (cash and marketable securities)	22	16,300	
	23	Distributions of property other than money	23		
	24	Other items and amounts required to be reported separately to partners (attach schedule)			

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17f, and 18b . . . . .						1	(31,483)
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners		(1,574)					
b Limited partners				(29,909)			

**Schedule L Balance Sheets per Books** (Not required if Question 5 on Schedule B is answered "Yes.")

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash . . . . .		15,952		27,513
2a Trade notes and accounts receivable . . . . .	9,793		9,705	
b Less allowance for bad debts . . . . .		9,793		9,705
3 Inventories . . . . .				
4 U.S. government obligations . . . . .				
5 Tax-exempt securities . . . . .				
6 Other current assets (attach schedule) . . . . .		10,107		5,070
7 Mortgage and real estate loans . . . . .				
8 Other investments (attach schedule) . . . . .		54,590		66,676
9a Buildings and other depreciable assets . . . . .	1,091,145		1,091,145	
b Less accumulated depreciation . . . . .	444,937	646,208	487,028	604,117
10a Depletable assets . . . . .				
b Less accumulated depletion . . . . .				
11 Land (net of any amortization) . . . . .		75,000		75,000
12a Intangible assets (amortizable only). . . . .	27,766		27,766	
b Less accumulated amortization . . . . .	8,750	19,016	9,217	18,549
13 Other assets (attach schedule) . . . . .				
14 <b>Total assets</b> . . . . .		830,666		806,630
<b>Liabilities and Capital</b>				
15 Accounts payable . . . . .		1,502		318
16 Mortgages, notes, bonds payable in less than 1 year . . . . .				
17 Other current liabilities (attach schedule) . . . . .		17,000		44,250
18 All nonrecourse loans . . . . .		922,765		920,446
19 Mortgages, notes, bonds payable in 1 year or more . . . . .				
20 Other liabilities (attach schedule) . . . . .				
21 Partners' capital accounts . . . . .		(110,601)		(158,384)
22 <b>Total liabilities and capital</b> . . . . .		830,666		806,630

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return** (Not required if Question 5 on Schedule B is answered "Yes." See page 29 of the instructions.)

1 Net income (loss) per books . . . . .	(31,483)	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): . . . . .		a Tax-exempt interest \$ . . . . .	
3 Guaranteed payments (other than health insurance) . . . . .		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17f, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17f, and 18b (itemize):		a Depreciation \$ . . . . .	
a Depreciation \$ . . . . .		8 Add lines 6 and 7 . . . . .	
b Travel and entertainment \$ . . . . .		9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 . . . . .	(31,483)
5 Add lines 1 through 4 . . . . .	(31,483)		

**Schedule M-2 Analysis of Partners' Capital Accounts** (Not required if Question 5 on Schedule B is answered "Yes.")

1 Balance at beginning of year . . . . .	(110,601)	6 Distributions: a Cash . . . . .	16,300	16,300
2 Capital contributed during year . . . . .		b Property . . . . .		
3 Net income (loss) per books . . . . .	(31,483)	7 Other decreases (itemize): . . . . .		
4 Other increases (itemize): . . . . .		8 Add lines 6 and 7 . . . . .	16,300	
5 Add lines 1 through 4 . . . . .	(142,084)	9 Balance at end of year. Subtract line 8 from line 5 . . . . .		(158,384)



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-06-0001

**Partnership's identifying number** ▶ 52-0000006

Partner's name, address, and ZIP code #1  
ANNE APPRECIATION, GENERAL PARTNER  
1950 ROLLING ROAD, SUITE 900  
BALTIMORE, MD 21227

Partnership's name, address, and ZIP code  
TAX CREDIT LIMITED PARTNERSHIP  
6 ANY STREET  
ANYTOWN, MA 09010

**A** This partner is a  general partner  limited partner  
 limited liability company member

**B** What type of entity is this partner? ▶ INDIVIDUAL

**C** Is this partner a  domestic or a  foreign partner?

**D** Enter partner's percentage of:

	(i) Before change or termination	(ii) End of year
Profit sharing . . . . .	5.0000 %	5.0000 %
Loss sharing . . . . .	5.0000 %	5.0000 %
Ownership of capital . . . . .	5.0000 %	5.0000 %

**E** IRS Center where partnership filed return: ANDOVER

**F** Partner's share of liabilities (see instructions):

Nonrecourse . . . . .	\$	.....
Qualified nonrecourse financing . . . . .	\$	46,022
Other . . . . .	\$	44,568

**G** Tax shelter registration number . . . . .

**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .

**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
(32,016)		(1,574)	( 815 )	(34,405)

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	1 Ordinary income (loss) from trade or business activities . . . . .	1	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2 (1,672)	
	3 Net income (loss) from other rental activities . . . . .	3	
	4 Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	a Interest . . . . .	4a 98	
	b Ordinary dividends . . . . .	4b	
	c Royalties . . . . .	4c	
	d Net short-term capital gain (loss) . . . . .	4d	
	e Net long-term capital gain (loss):		
	(1) 28% rate gain (loss) . . . . .	e(1)	
	(2) Total for year. . . . .	e(2)	
	f Other portfolio income (loss) (attach schedule) . . . . .	4f	
	5 Guaranteed payments to partner . . . . .	5	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6		
7 Other income (loss) (attach schedule) . . . . .	7	Enter on applicable line of your return.	
<b>Deductions</b>	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8	} Sch. A, line 15 or 16
	9 Section 179 expense deduction . . . . .	9	
	10 Deductions related to portfolio income (attach schedule) . . . . .	10	} See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	11 Other deductions (attach schedule) . . . . .	11	
<b>Credits</b>	12a Low-income housing credit:		} Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
	d Credits related to other rental activities . . . . .	12d	
13 Other credits . . . . .	13		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	<b>14a</b>	Interest expense on investment debts . . . . .	<b>14a</b>	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>b (1)</b>	Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	<b>b(1)</b> 98	
	<b>(2)</b>	Investment expenses included on line 10 . . . . .	<b>b(2)</b>	
Self-employment	<b>15a</b>	Net earnings (loss) from self-employment . . . . .	<b>15a</b>	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>b</b>	Gross farming or fishing income . . . . .	<b>15b</b>	
	<b>c</b>	Gross nonfarm income . . . . .	<b>15c</b>	
Adjustments and Tax Preference Items	<b>16a</b>	Depreciation adjustment on property placed in service after 1986 . . . . .	<b>16a</b> 435	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	<b>b</b>	Adjusted gain or loss . . . . .	<b>16b</b>	
	<b>c</b>	Depletion (other than oil and gas) . . . . .	<b>16c</b>	
	<b>d (1)</b>	Gross income from oil, gas, and geothermal properties . . . . .	<b>d(1)</b>	
	<b>(2)</b>	Deductions allocable to oil, gas, and geothermal properties . . . . .	<b>d(2)</b>	
<b>e</b>	Other adjustments and tax preference items (attach schedule)	<b>16e</b>		
Foreign Taxes	<b>17a</b>	Name of foreign country or U.S. possession ▶ . . . . .	<b>17a</b>	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.
	<b>b</b>	Total gross income sourced at partner level . . . . .	<b>17b</b>	
	<b>c</b>	Total gross income sourced at partnership level (attach schedule):		
		<b>(1)</b> U.S. source and listed categories . . . . .	<b>17c(1)</b>	
		<b>(2)</b> Passive . . . . .	<b>17c(2)</b>	
	<b>(3)</b>	General limitation . . . . .	<b>17c(3)</b>	
		<b>d</b> Deductions allocated and apportioned at partner level:		
	<b>(1)</b>	Interest expense . . . . .	<b>17d(1)</b>	
	<b>(2)</b>	Other . . . . .	<b>17d(2)</b>	
	<b>e</b>	Deductions allocated and apportioned at partnership level (attach schedule):		
<b>(1)</b> U.S. source and listed categories . . . . .		<b>17e(1)</b>		
<b>(2)</b> Passive . . . . .		<b>17e(2)</b>		
<b>(3)</b>	General limitation . . . . .	<b>17e(3)</b>		
<b>f</b>	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	<b>17f</b>		
<b>g</b>	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	<b>18</b>	Section 59(e)(2) expenditures: <b>a</b> Type ▶ . . . . .	<b>18a</b>	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>b</b>	Amount . . . . .	<b>18b</b>	
	<b>19</b>	Tax-exempt interest income . . . . .	<b>19</b>	Form 1040, line 8b
	<b>20</b>	Other tax-exempt income . . . . .	<b>20</b>	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>21</b>	Nondeductible expenses . . . . .	<b>21</b>	
	<b>22</b>	Distributions of money (cash and marketable securities) . . . . .	<b>22</b> 815	
	<b>23</b>	Distributions of property other than money . . . . .	<b>23</b>	
<b>24</b> Recapture of low-income housing credit:				
<b>a</b>	From section 42(j)(5) partnerships . . . . .	<b>24a</b>	} Form 8611, line 8	
<b>b</b>	Other than on line 24a . . . . .	<b>24b</b>		
Supplemental Information	<b>25</b>	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed): ..... ..... ..... ..... ..... ..... ..... ..... ..... .....		



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

Partner's identifying number ▶ **001-06-0002**

Partnership's identifying number ▶ **52:0000006**

Partner's name, address, and ZIP code # **2**  
**LIHTC INVESTMENT LIMITED PARTNERSHIP**  
**C/O BIG CAPITAL CORPORATION**  
**PO BOX 900**  
**ATLANTA, GEORGIA**

Partnership's name, address, and ZIP code  
**TAX CREDIT LIMITED PARTNERSHIP**  
**6 ANY STREET**  
**ANYTOWN, MA 09010**

**A** This partner is a  general partner  limited partner  
 limited liability company member

**B** What type of entity is this partner? ▶ **PARTNERSHIP**

**C** Is this partner a  domestic or a  foreign partner?

**D** Enter partner's percentage of:

	(i) Before change or termination	(ii) End of year
Profit sharing . . . . .	<b>95.0000%</b>	<b>95.0000%</b>
Loss sharing . . . . .	<b>95.0000%</b>	<b>95.0000%</b>
Ownership of capital . . . . .	<b>95.0000%</b>	<b>95.0000%</b>

**E** IRS Center where partnership filed return: **ANDOVER**

**F** Partner's share of liabilities (see instructions):

Nonrecourse . . . . .	\$	.....
Qualified nonrecourse financing . . . . .	\$	<b>874,424</b>
Other . . . . .	\$	.....

**G** Tax shelter registration number . . . . . ▶ .....

**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .

**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
<b>(78,585)</b>		<b>(29,909)</b>	<b>( 15,485 )</b>	<b>(123,979)</b>

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	<b>1</b> Ordinary income (loss) from trade or business activities . . . . .	<b>1</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>2</b> Net income (loss) from rental real estate activities . . . . .	<b>2</b> <b>(31,763)</b>	
	<b>3</b> Net income (loss) from other rental activities . . . . .	<b>3</b>	
	<b>4</b> Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f)
	<b>a</b> Interest . . . . .	<b>4a</b> <b>1,854</b>	
	<b>b</b> Ordinary dividends . . . . .	<b>4b</b>	
	<b>c</b> Royalties . . . . .	<b>4c</b>	
	<b>d</b> Net short-term capital gain (loss) . . . . .	<b>4d</b>	
	<b>e</b> Net long-term capital gain (loss):		
	<b>(1)</b> 28% rate gain (loss) . . . . .	<b>e(1)</b>	} Sch. D, line 12, col. (g) Sch. D, line 12, col. (f)
	<b>(2)</b> Total for year. . . . .	<b>e(2)</b>	
	<b>f</b> Other portfolio income (loss) (attach schedule) . . . . .	<b>4f</b>	} Enter on applicable line of your return.
	<b>5</b> Guaranteed payments to partner . . . . .	<b>5</b>	
<b>6</b> Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	<b>6</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
<b>7</b> Other income (loss) (attach schedule) . . . . .	<b>7</b>		
<b>Deductions</b>	<b>8</b> Charitable contributions (see instructions) (attach schedule) . . . . .	<b>8</b>	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>9</b> Section 179 expense deduction . . . . .	<b>9</b>	
	<b>10</b> Deductions related to portfolio income (attach schedule) . . . . .	<b>10</b>	
	<b>11</b> Other deductions (attach schedule) . . . . .	<b>11</b>	
<b>Credits</b>	<b>12a</b> Low-income housing credit:		} Form 8586, line 5
	<b>(1)</b> From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	<b>a(1)</b>	
	<b>(2)</b> Other than on line 12a(1) for property placed in service before 1990 . . . . .	<b>a(2)</b>	
	<b>(3)</b> From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	<b>a(3)</b>	
	<b>(4)</b> Other than on line 12a(3) for property placed in service after 1989 . . . . .	<b>a(4)</b>	
	<b>b</b> Qualified rehabilitation expenditures related to rental real estate activities . . . . .	<b>12b</b>	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>c</b> Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	<b>12c</b>	
	<b>d</b> Credits related to other rental activities . . . . .	<b>12d</b>	
<b>13</b> Other credits . . . . .	<b>13</b>		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1) 1,854	
		(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Gross farming or fishing income . . . . .	15b	
	c	Gross nonfarm income . . . . .	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a 8,255	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b	Adjusted gain or loss . . . . .	16b	
	c	Depletion (other than oil and gas) . . . . .	16c	
	d	(1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	e	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶ . . . . .	17a	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.
	b	Total gross income sourced at partner level . . . . .	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
		(1) U.S. source and listed categories . . . . .	17c(1)	
		(2) Passive . . . . .	17c(2)	
		(3) General limitation . . . . .	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
		(1) Interest expense . . . . .	17d(1)	
		(2) Other . . . . .	17d(2)	
	e	Deductions allocated and apportioned at partnership level (attach schedule):		
		(1) U.S. source and listed categories . . . . .	17e(1)	
	(2) Passive . . . . .	17e(2)		
	(3) General limitation . . . . .	17e(3)		
f	Total foreign taxes (check one): ▶ <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	18	Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Amount . . . . .	18b	
	19	Tax-exempt interest income . . . . .	19	Form 1040, line 8b
	20	Other tax-exempt income . . . . .	20	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	21	Nondeductible expenses . . . . .	21	
	22	Distributions of money (cash and marketable securities) . . . . .	22 15,485	
	23	Distributions of property other than money . . . . .	23	} Form 8611, line 8
	24	Recapture of low-income housing credit:		
a	From section 42(j)(5) partnerships . . . . .	24a		
b	Other than on line 24a . . . . .	24b		
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed): ..... ..... ..... ..... ..... ..... ..... ..... ..... .....		



**TEST #7**

<b>FORMS REQUIRED:</b> 1065, D (1065), 4797, 2 K-1s (1065)
--

**FORM 1065, PAGE 1: IDENTIFYING INFORMATION**

**NAME OF PARTNERSHIP:**

GREAT RETURNS INVESTMENT PARTNERSHIP  
7 ANY STREET  
ANYTOWN, CA 33333

**NAME OF PREPARER:**

ELECTRONIC TAX FILERS, INC.  
100 TECHO DRIVE  
RAINTOWN, WA 98530  
EIN: 52-0000099  
PREPARER SSN: 001-99-0001

**FORM 1065, PAGE 1:**

LINE A: INVESTMENT CLUB  
LINE B: INVESTMENTS  
LINE C: 523900  
LINE D: 52-0000007  
LINE E: 02/02/97  
LINE H(1): X

**FORM 1065, PAGE 2, SCHEDULE A:**

LINE 9(d): No  
LINE 9(e): No

**FORM 1065, PAGE 2, SCHEDULE B:**

LINE 1a: X  
LINE 2: NO  
LINE 3: NO  
LINE 4: NO  
LINE 5: YES  
LINE 6: NO  
LINE 7: NO  
LINE 8: NO  
LINE 9: NO  
LINE 10: NO

**TEST #7 (Continued):**

**FORM 1065, PAGE 2, SCHEDULE B (Continued):**

**LINE 11:** NO  
**LINE 12:** 0  
**NAME OF DESIGNATED TMP:** BROCK BROKER  
**IDENTIFYING NUMBER OF DESIGNATED TMP:** 001-07-0001  
**ADDRESS OF DESIGNATED TMP:** 100 BARRITO BLVD  
ANYTOWN, CA 33333

**FORM 1065, PAGE 3, SCHEDULE K:**

**LINE 4a** 1298  
**LINE 4b** 1212  
**LINE 10 (STM 01):**  
ACCOUNTING 750  
BANK CHARGES 36  
OFFICE & ADMINISTRATIVE 126  
INTERNET ACCESS FEES 660  
PROFESSIONAL FEES 753  
TELEPHONE 576  
MARGIN INTEREST 96

**FORM 1065, PAGE 4, SCHEDULE L:**

**LINE 1(b):** 801  
**LINE 1(d):** 1199  
**LINE 4(b):** 8965  
**LINE 4(d):** 9818  
**LINE 5(b):** 12000  
**LINE 5(d):** 12000  
**LINE 8(b) (STM 02):**  
VARIOUS 50715  
**LINE 8(d) (STM 03):**  
VARIOUS 49154

**FORM 1065, PAGE 4, SCHEDULE M-1:**

**LINE 1:** 12040

**FORM 1065, PAGE 4, SCHEDULE M-2:**

**LINE 1:** 72481  
**LINE 3:** 12040

**TEST #7 (Continued):**

**FORM 1065, PAGE 4, SCHEDULE M-2 (Continued):**

**LINE 6b:** 12350

**SCHEDULE D (FORM 1065):**

**ACTIVITY TO WHICH THIS FORM RELATES:**

**FORM 1065, PAGE 3, SCHEDULE K, LINE 4d**

**SCHEDULE D (FORM 1065), PART I:**

**LINE 1(a):** INSTANET  
**LINE 1(b):** 12/12/00  
**LINE 1(c):** 12/28/00  
**LINE 1(d):** 3200  
**LINE 1(e):** 2514  
**LINE 10(f):** 3445  
**LINE 10(g):** 3445

**FORM 4797:**

**ACTIVITY TO WHICH THIS FORM RELATES:**

**FORM 1065, PAGE 3, SCHEDULE K, LINE 6**

**FORM 4797, PART I:**

**LINE 2(a):** WEBSECRETS  
**LINE 2(b):** 06/30/97  
**LINE 2(c):** 12/10/00  
**LINE 2(d):** 15000  
**LINE 2(e):** 14396  
**LINE 2(f):** 21000  
**LINE 2(g):** 8396

**SCHEDULE K-1 (FORM 1065), #1:**

**PARTNER'S IDENTIFICATION NUMBER:**  
**PARTNER'S NAME:**  
**PARTNER'S ADDRESS:**

001-07-0001  
BROCK BROKER  
100 BARRITO BLVD  
ANYTOWN, CA 33333

**LINE A:** DESIGNATED AS TMP  
**LINE A:** GENERAL PARTNER  
**LINE B:** INDIVIDUAL  
**LINE C:** DOMESTIC

**TEST #7 (Continued):**

**SCHEDULE K-1 (FORM 1065), #1 (Continued):**

**LINE D(i):** BEFORE CHANGE OR TERMINATION:  
PROFIT SHARING 55.00000%  
**LINE D(i):** LOSS SHARING 55.00000%  
OWNERSHIP OF CAPITAL 55.00000%  
**LINE D(ii):** END OF YEAR:  
PROFIT SHARING 55.00000%  
LOSS SHARING 55.00000%  
OWNERSHIP OF CAPITAL 55.00000%  
**LINE E:** FRESNO, CA  
**LINE J(a):** 39865  
**LINE J(c):** 6622  
**LINE J(d):** 6793

**SCHEDULE K-1 (FORM 1065), #2:**

PARTNER'S IDENTIFICATION NUMBER: 001-07-0002  
PARTNER'S NAME: HI BONDS  
PARTNER'S ADDRESS: 1 GOLF COURSE WAY  
ANYTOWN, CA 33333

**LINE A:** GENERAL PARTNER  
**LINE B:** INDIVIDUAL  
**LINE C:** DOMESTIC  
**LINE D(i):** BEFORE CHANGE OR TERMINATION:  
PROFIT SHARING 45.00000%  
LOSS SHARING 45.00000%  
OWNERSHIP OF CAPITAL 45.00000%  
**LINE D(ii):** END OF YEAR:  
PROFIT SHARING 45.00000%  
LOSS SHARING 45.00000%  
OWNERSHIP OF CAPITAL 45.00000%  
**LINE E:** FRESNO, CA  
**LINE J(a):** 32616  
**LINE J(c):** 5418  
**LINE J(d):** 5557

# U.S. Return of Partnership Income

OMB No. 1545-0099

For calendar year 2000, or tax year beginning \_\_\_\_\_, 2000, and ending \_\_\_\_\_, 20\_\_\_\_  
▶ See separate instructions.

**2000**

<b>A</b> Principal business activity <b>INVESTMENT CLUB</b>	<b>Use the IRS label. Otherwise, please print or type.</b>	Name of partnership <b>GREAT RETURNS INVESTMENT PARTNERSHIP</b>	<b>D</b> Employer identification number <b>52:0000007</b>
<b>B</b> Principal product or service <b>INVESTMENTS</b>		Number, street, and room or suite no. If a P.O. box, see page 12 of the instructions. <b>7 ANY STREET</b>	<b>E</b> Date business started <b>2/02/97</b>
<b>C</b> Business code number <b>523900</b>		City or town, state, and ZIP code <b>ANYTOWN, CA 33333</b>	<b>F</b> Total assets (see page 12 of the instructions) \$ <b>72,171</b>

**G** Check applicable boxes: (1)  Initial return (2)  Final return (3)  Change in address (4)  Amended return  
**H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_  
**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ 2

**Caution:** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b>			
	<b>b</b> Less returns and allowances. . . . .	<b>1b</b>			<b>1c</b>
<b>Income</b>	<b>2</b> Cost of goods sold (Schedule A, line 8) . . . . .				<b>2</b>
	<b>3</b> Gross profit. Subtract line 2 from line 1c. . . . .				<b>3</b>
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule). . . . .				<b>4</b>
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .				<b>5</b>
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 18. . . . .				<b>6</b>
	<b>7</b> Other income (loss) (attach schedule). . . . .				<b>7</b>
	<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .				
<b>Deductions</b> (see page 14 of the instructions for limitations)	<b>9</b> Salaries and wages (other than to partners) (less employment credits). . . . .				<b>9</b>
	<b>10</b> Guaranteed payments to partners . . . . .				<b>10</b>
	<b>11</b> Repairs and maintenance . . . . .				<b>11</b>
	<b>12</b> Bad debts . . . . .				<b>12</b>
	<b>13</b> Rent . . . . .				<b>13</b>
	<b>14</b> Taxes and licenses . . . . .				<b>14</b>
	<b>15</b> Interest . . . . .				<b>15</b>
	<b>16a</b> Depreciation (if required, attach Form 4562) . . . . .	<b>16a</b>			
	<b>b</b> Less depreciation reported on Schedule A and elsewhere on return	<b>16b</b>			<b>16c</b>
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .				<b>17</b>
	<b>18</b> Retirement plans, etc. . . . .				<b>18</b>
<b>19</b> Employee benefit programs . . . . .				<b>19</b>	
<b>20</b> Other deductions (attach schedule) . . . . .				<b>20</b>	
<b>21 Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20 . . . . .					<b>21</b>
<b>22 Ordinary income (loss)</b> from trade or business activities. Subtract line 21 from line 8 . . . . .					<b>22</b>

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

**Please Sign Here**

▶ Signature of general partner or limited liability company member      ▶ Date

**Paid Preparer's Use Only**

Preparer's signature ▶      Date      Check if self-employed       Preparer's SSN or PTIN **001-99-0001**

Firm's name (or yours if self-employed), address, and ZIP code ▶ **ELECTRONIC TAX FILERS, INC.**      EIN ▶ **52:0000099**

**100 TECO DRIVE RAIN TOWN, WA 98530**      Phone no. (      )

**Schedule A Cost of Goods Sold** (see page 17 of the instructions)

1	Inventory at beginning of year . . . . .	1		
2	Purchases less cost of items withdrawn for personal use . . . . .	2		
3	Cost of labor . . . . .	3		
4	Additional section 263A costs (attach schedule) . . . . .	4		
5	Other costs (attach schedule) . . . . .	5		
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6		
7	Inventory at end of year . . . . .	7		
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8		

- 9a Check all methods used for valuing closing inventory:
- (i)  Cost as described in Regulations section 1.471-3
  - (ii)  Lower of cost or market as described in Regulations section 1.471-4
  - (iii)  Other (specify method used and attach explanation) ▶ .....
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c). . . . ▶
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . ▶
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? . .  Yes  No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information**

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input checked="" type="checkbox"/> Domestic general partnership		
b <input type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶ .....		
2 Are any partners in this partnership also partnerships? . . . . .		X
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment . . . . .		X
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see <b>Designation of Tax Matters Partner</b> below . . . . .		X
5 Does this partnership meet <b>all three</b> of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000; <b>and</b>		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 . . . . .	X	
6 Does this partnership have any foreign partners? . . . . .		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? . . . . .		X
8 Has this partnership filed, or is it required to file, <b>Form 8264</b> , Application for Registration of a Tax Shelter? . . . . .		X
9 At any time during calendar year 2000, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 18 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶ .....		X
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 18 of the instructions . . . . .		X
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under <b>Elections Made By the Partnership</b> on page 7 of the instructions . . . . .		X
12 Enter the number of Forms 8865 attached to this return ▶ .....		0

**Designation of Tax Matters Partner** (see page 18 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶ **BROCK BROKER** Identifying number of TMP ▶ **001-07-0001**

Address of designated TMP ▶ **100 BARRITO BLVD.**  
**ANYTOWN, CA 33333**

**Schedule K Partners' Shares of Income, Credits, Deductions, etc.**

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 22)	1	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss): a Interest income	4a	1,298
	b	Ordinary dividends	4b	1,212
	c	Royalty income	4c	
	d	Net short-term capital gain (loss) (attach Schedule D (Form 1065))	4d	686
	e	Net long-term capital gain (loss) (attach Schedule D (Form 1065)): (1) 28% rate gain (loss) ▶ 3,445 (2) Total for year ▶	4e(2)	3,445
	f	Other portfolio income (loss) (attach schedule)	4f	
5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6	8,396	
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	
	9	Section 179 expense deduction (attach Form 4562)	9	
	10	Deductions related to portfolio income (itemize)	10	2,997
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12a(1)	
	(2)	Other than on line 12a(1) for property placed in service before 1990	12a(2)	
	(3)	From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12a(3)	
	(4)	Other than on line 12a(3) for property placed in service after 1989	12a(4)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
d	Credits related to other rental activities	12d		
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	2,510
	(2)	Investment expenses included on line 10 above	14b(2)	2,997
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d (1)	Gross income from oil, gas, and geothermal properties	16d(1)	
	(2)	Deductions allocable to oil, gas, and geothermal properties	16d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶		
	b	Total gross income sourced at partner level	17b	
	c	Total gross income sourced at partnership level (attach schedule): (1) U.S. source and listed categories ▶ (2) Passive ▶ (3) General limitation ▶	17c(3)	
	d	Deductions allocated and apportioned at partner level: (1) Interest expense ▶ (2) Other ▶	17d(2)	
	e	Deductions allocated and apportioned at partnership level (attach schedule): (1) U.S. source and listed categories ▶ (2) Passive ▶ (3) General limitation ▶	17e(3)	
	f	Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17f	
	g	Reduction in taxes available for credit (attach schedule)	17g	
Other	18	Section 59(e)(2) expenditures: a Type ▶ b Amount ▶	18b	
	19	Tax-exempt interest income	19	
	20	Other tax-exempt income	20	
	21	Nondeductible expenses	21	
	22	Distributions of money (cash and marketable securities)	22	
	23	Distributions of property other than money	23	12,350
	24	Other items and amounts required to be reported separately to partners (attach schedule)		

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17f, and 18b . . . . .						1	12,040
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners		12,040					
b Limited partners							

**Schedule L Balance Sheets per Books** (Not required if Question 5 on Schedule B is answered "Yes.")

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash . . . . .		801		1,199
2a Trade notes and accounts receivable . . . . .				
b Less allowance for bad debts . . . . .				
3 Inventories . . . . .				
4 U.S. government obligations . . . . .		8,965		9,818
5 Tax-exempt securities . . . . .		12,000		12,000
6 Other current assets (attach schedule) . . . . .				
7 Mortgage and real estate loans . . . . .				
8 Other investments (attach schedule) . . . . .		50,715		49,154
9a Buildings and other depreciable assets . . . . .				
b Less accumulated depreciation . . . . .				
10a Depletable assets . . . . .				
b Less accumulated depletion . . . . .				
11 Land (net of any amortization) . . . . .				
12a Intangible assets (amortizable only). . . . .				
b Less accumulated amortization . . . . .				
13 Other assets (attach schedule) . . . . .				
14 <b>Total assets</b> . . . . .		72,481		72,171
<b>Liabilities and Capital</b>				
15 Accounts payable . . . . .				
16 Mortgages, notes, bonds payable in less than 1 year . . . . .				
17 Other current liabilities (attach schedule) . . . . .				
18 All nonrecourse loans . . . . .				
19 Mortgages, notes, bonds payable in 1 year or more . . . . .				
20 Other liabilities (attach schedule) . . . . .				
21 Partners' capital accounts . . . . .		72,481		72,171
22 <b>Total liabilities and capital</b> . . . . .		72,481		72,171

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return** (Not required if Question 5 on Schedule B is answered "Yes." See page 29 of the instructions.)

1 Net income (loss) per books . . . . .	12,040	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): . . . . .		a Tax-exempt interest \$ . . . . .	
3 Guaranteed payments (other than health insurance) . . . . .		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17f, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17f, and 18b (itemize):		a Depreciation \$ . . . . .	
a Depreciation \$ . . . . .		8 Add lines 6 and 7 . . . . .	
b Travel and entertainment \$ . . . . .		9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 . . . . .	12,040
5 Add lines 1 through 4 . . . . .	12,040		

**Schedule M-2 Analysis of Partners' Capital Accounts** (Not required if Question 5 on Schedule B is answered "Yes.")

1 Balance at beginning of year . . . . .	72,481	6 Distributions: a Cash . . . . .	
2 Capital contributed during year . . . . .		b Property . . . . .	12,350
3 Net income (loss) per books . . . . .	12,040	7 Other decreases (itemize): . . . . .	
4 Other increases (itemize): . . . . .		8 Add lines 6 and 7 . . . . .	12,350
5 Add lines 1 through 4 . . . . .	84,521	9 Balance at end of year. Subtract line 8 from line 5 . . . . .	72,171



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-07-0001

**Partnership's identifying number** ▶ 52:0000007

Partner's name, address, and ZIP code #1

Partnership's name, address, and ZIP code

**BROCK BROKER  
100 BARRITO BLVD.  
ANYTOWN, CA 33333**

**GREAT RETURNS INVESTMENT PARTNERSHIP  
7 ANY STREET  
ANYTOWN, CA 33333**

- A** This partner is a  general partner  limited partner  
 limited liability company member
- B** What type of entity is this partner? ▶ **INDIVIDUAL**
- C** Is this partner a  domestic or a  foreign partner?
- D** Enter partner's percentage of:
 

	(i) Before change or termination	(ii) End of year
Profit sharing . . . . .	55.0000 %	55.0000 %
Loss sharing . . . . .	55.0000 %	55.0000 %
Ownership of capital . . . . .	55.0000 %	55.0000 %
- E** IRS Center where partnership filed return:

- F** Partner's share of liabilities (see instructions):
 

Nonrecourse . . . . .	\$ .....
Qualified nonrecourse financing . . . . .	\$ .....
Other . . . . .	\$ .....
- G** Tax shelter registration number . ▶ .....
- H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .
- I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
39,865		6,622	( 6,793 )	39,694

	(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	1 Ordinary income (loss) from trade or business activities . . . . .	1		} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2		
	3 Net income (loss) from other rental activities . . . . .	3		
	4 Portfolio income (loss):	4		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	a Interest . . . . .	4a	714	
	b Ordinary dividends . . . . .	4b	667	
	c Royalties . . . . .	4c		
	d Net short-term capital gain (loss) . . . . .	4d	377	
	e Net long-term capital gain (loss):	e		
	(1) 28% rate gain (loss) . . . . .	e(1)	1,895	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	(2) Total for year. . . . .	e(2)	1,895	
f Other portfolio income (loss) (attach schedule) . . . . .	4f		} Enter on applicable line of your return.	
5 Guaranteed payments to partner . . . . .	5			
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6	4,618	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
7 Other income (loss) (attach schedule) . . . . .	7			
<b>Deductions</b>	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8		} Sch. A, line 15 or 16
	9 Section 179 expense deduction . . . . .	9		
	10 Deductions related to portfolio income (attach schedule) . . . . .	10	1,648	} See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	11 Other deductions (attach schedule) . . . . .	11		
<b>Credits</b>	12a Low-income housing credit:	12a		} Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)		
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)		
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)		
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)		
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b		} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c		
	d Credits related to other rental activities . . . . .	12d		
13 Other credits . . . . .	13			

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:	
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1) 1,381		
	b (2)	Investment expenses included on line 10 . . . . .	b(2) 1,648		
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	b	Gross farming or fishing income . . . . .	15b		
	c	Gross nonfarm income . . . . .	15c		
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.	
	b	Adjusted gain or loss . . . . .	16b		
	c	Depletion (other than oil and gas) . . . . .	16c		
	d (1)	Gross income from oil, gas, and geothermal properties . . . . .	d(1)		
	d (2)	Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)		
e	Other adjustments and tax preference items (attach schedule)	16e			
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶ . . . . .	17a	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.	
	b	Total gross income sourced at partner level . . . . .	17b		
	c	Total gross income sourced at partnership level (attach schedule):			
	(1)	U.S. source and listed categories . . . . .	17c(1)		
	(2)	Passive . . . . .	17c(2)		
	(3)	General limitation . . . . .	17c(3)		
	d	Deductions allocated and apportioned at partner level:			
	(1)	Interest expense . . . . .	17d(1)		
	(2)	Other . . . . .	17d(2)		
	e	Deductions allocated and apportioned at partnership level (attach schedule):			
(1)	U.S. source and listed categories . . . . .	17e(1)			
(2)	Passive . . . . .	17e(2)			
(3)	General limitation . . . . .	17e(3)			
f	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f			
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .				
Other	18	Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	b	Amount . . . . .	18b		
	19	Tax-exempt interest income . . . . .	19	Form 1040, line 8b	
	20	Other tax-exempt income . . . . .	20	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).	
	21	Nondeductible expenses . . . . .	21		
	22	Distributions of money (cash and marketable securities) . . . . .	22		
	23	Distributions of property other than money . . . . .	23	6,793	
	24	Recapture of low-income housing credit:		} Form 8611, line 8	
a	From section 42(j)(5) partnerships . . . . .	24a			
b	Other than on line 24a . . . . .	24b			
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):			
		LINE 10 - PORTFOLIO DEDUCTION      ITEM J (C)			
		ACCOUNTING	412	INTEREST	714
		BANK CHARGES	20	DIVIDENDS	667
		OFFICE & ADMINISTRATION	69	NET SHORT-TERM CAPITAL GAIN-28% RATE	377
		INTERNET ACCESS FEES	363	NET LONG-TERM CAPITAL GAIN-28%	1,895
		PROFESSIONAL FEES	414	NET GAIN (LOSS) UNDER SEC. 1231-28% RATE	4,618
		TELEPHONE	317	PORTFOLIO DEDUCTIONS	(1,648)
		MARGIN INTEREST	53	ROUNDING	(1)
		TOTAL	1,648	TOTAL	6,622



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-07-0002

**Partnership's identifying number** ▶ 52 0000007

Partner's name, address, and ZIP code #2

Partnership's name, address, and ZIP code

**HI BONDS**  
**1 GOLF COURSE WAY**  
**ANYTOWN, CA 33333**

**GRATE RETURNS INVESTMENT PARTNERSHIP**  
**7 ANY STREET**  
**ANYTOWN, CA 33333**

**A** This partner is a  general partner  limited partner  
 limited liability company member

**F** Partner's share of liabilities (see instructions):  
Nonrecourse . . . . . \$ .....  
Qualified nonrecourse financing . . . . . \$ .....  
Other . . . . . \$ .....

**B** What type of entity is this partner? ▶ **INDIVIDUAL**

**C** Is this partner a  domestic or a  foreign partner?

**D** Enter partner's percentage of:  
Profit sharing . . . . . (i) Before change or termination 45.0000% (ii) End of year 45.0000%  
Loss sharing . . . . . 45.0000% 45.0000%  
Ownership of capital . . . . . 45.0000% 45.0000%

**G** Tax shelter registration number . . . . . ▶ .....

**E** IRS Center where partnership filed return: **FRESNO**

**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .

**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
32,616		5,418	( 5,557 )	32,477

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	1 Ordinary income (loss) from trade or business activities . . . . .	1	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2	
	3 Net income (loss) from other rental activities . . . . .	3	
	4 Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	a Interest . . . . .	4a 584	
	b Ordinary dividends . . . . .	4b 545	
	c Royalties . . . . .	4c	
	d Net short-term capital gain (loss) . . . . .	4d 309	
	e Net long-term capital gain (loss):		
	(1) 28% rate gain (loss) . . . . .	e(1) 1,550	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065). Enter on applicable line of your return.
	(2) Total for year. . . . .	e(2) 1,550	
f Other portfolio income (loss) (attach schedule) . . . . .	4f		
5 Guaranteed payments to partner . . . . .	5	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065). Enter on applicable line of your return.	
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6 3,778		
7 Other income (loss) (attach schedule) . . . . .	7		
<b>Deductions</b>	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8	} Sch. A, line 15 or 16
	9 Section 179 expense deduction . . . . .	9	
	10 Deductions related to portfolio income (attach schedule) . . . . .	10 1,349	} See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	11 Other deductions (attach schedule) . . . . .	11	
<b>Credits</b>	12a Low-income housing credit:		} Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
	d Credits related to other rental activities . . . . .	12d	
13 Other credits . . . . .	13		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:	
Investment Interest	<b>14a</b>	Interest expense on investment debts . . . . .	<b>14a</b>	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	<b>b (1)</b>	Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	<b>b(1)</b> 1,129		
	<b>(2)</b>	Investment expenses included on line 10 . . . . .	<b>b(2)</b> 1,349		
Self-employment	<b>15a</b>	Net earnings (loss) from self-employment . . . . .	<b>15a</b>	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	<b>b</b>	Gross farming or fishing income . . . . .	<b>15b</b>		
	<b>c</b>	Gross nonfarm income . . . . .	<b>15c</b>		
Adjustments and Tax Preference Items	<b>16a</b>	Depreciation adjustment on property placed in service after 1986 . . . . .	<b>16a</b>	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.	
	<b>b</b>	Adjusted gain or loss . . . . .	<b>16b</b>		
	<b>c</b>	Depletion (other than oil and gas) . . . . .	<b>16c</b>		
	<b>d (1)</b>	Gross income from oil, gas, and geothermal properties . . . . .	<b>d(1)</b>		
	<b>(2)</b>	Deductions allocable to oil, gas, and geothermal properties . . . . .	<b>d(2)</b>		
<b>e</b>	Other adjustments and tax preference items (attach schedule)	<b>16e</b>			
Foreign Taxes	<b>17a</b>	Name of foreign country or U.S. possession ▶ . . . . .	<b>17a</b>	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.	
	<b>b</b>	Total gross income sourced at partner level . . . . .	<b>17b</b>		
	<b>c</b>	Total gross income sourced at partnership level (attach schedule):	(1) U.S. source and listed categories . . . . .		<b>17c(1)</b>
			(2) Passive . . . . .		<b>17c(2)</b>
			(3) General limitation . . . . .		<b>17c(3)</b>
	<b>d</b>	Deductions allocated and apportioned at partner level:	(1) Interest expense . . . . .		<b>17d(1)</b>
			(2) Other . . . . .		<b>17d(2)</b>
	<b>e</b>	Deductions allocated and apportioned at partnership level (attach schedule):	(1) U.S. source and listed categories . . . . .		<b>17e(1)</b>
			(2) Passive . . . . .		<b>17e(2)</b>
			(3) General limitation . . . . .		<b>17e(3)</b>
<b>f</b>	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	<b>17f</b>			
<b>g</b>	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .				
Other	<b>18</b>	Section 59(e)(2) expenditures: <b>a</b> Type ▶ . . . . .	<b>18a</b>	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	<b>b</b>	Amount . . . . .	<b>18b</b>		
	<b>19</b>	Tax-exempt interest income . . . . .	<b>19</b>	Form 1040, line 8b	
	<b>20</b>	Other tax-exempt income . . . . .	<b>20</b>	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).	
	<b>21</b>	Nondeductible expenses . . . . .	<b>21</b>		
	<b>22</b>	Distributions of money (cash and marketable securities) . . . . .	<b>22</b>		
	<b>23</b>	Distributions of property other than money . . . . .	<b>23</b> 5,557		
<b>24</b>	Recapture of low-income housing credit:	<b>a</b> From section 42(j)(5) partnerships . . . . .	<b>24a</b>	} Form 8611, line 8	
		<b>b</b> Other than on line 24a . . . . .	<b>24b</b>		
Supplemental Information	<b>25</b>	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):			
		<b>LINE 10 - PORTFOLIO DEDUCTION</b>	<b>ITEM J (C)</b>		
		ACCOUNTING 338	INTEREST 584		
		BANK CHARGES 16	DIVIDENDS 545		
		OFFICE & ADMINISTRATION 57	NET SHORT-TERM CAPITAL GAIN-28% 309		
		INTERNET ACCESS FEES 297	NET LONG-TERM CAPITAL GAIN-28% 1,550		
		PROFESSIONAL FEES 339	NET GAIN (LOSS) UNDER SEC.1231-28% 3,778		
		TELEPHONE 259	PORTFOLIO DEDUCTIONS (1,349)		
		MARGIN INTEREST 43	ROUNDING 1		
		TOTAL 1,349	TOTAL 5,418		



**TEST #8**

**FORMS REQUIRED: 1065, 4255, 4562, 8844, 2 K-1s (1065)**

**FORM 1065, PAGE1: IDENTIFYING INFORMATION**

**NAME OF PARTNERSHIP:**

MOTOR CITY CAR SALES JOINT VENTURE  
8 ANY STREET  
ANYTOWN, MI 48210

**NAME OF PREPARER:**

ELECTRONIC TAX FILERS, INC.  
100 TECHO DRIVE  
RAINTOWN, WA 98530  
EIN: 52-0000099  
PREPARER SSN: 001-99-0001

**FORM 1065, PAGE 1:**

**LINE A:** AUTOMOBILE SALES  
**LINE B:** AUTOMOBILE SALES  
**LINE C:** 441110  
**LINE D:** 52-0000008  
**LINE E:** 06/20/83  
**LINE H(2):** X  
**LINE 1a:** 5158443  
**LINE 1b:** 10554  
**LINE 9:** 120000  
**LINE 11:** 55125  
**LINE 12:** 12500  
**LINE 14:** 45605  
**LINE 15:** 12305  
**LINE 18:** 22500  
**LINE 19:** 7500

**LINE 20 (STM 01):**

AMORTIZATION (FROM F. 4562, PART VI, LINE 41):	7000
COMPUTER MAINTENANCE	56501
EQUIPMENT RENTAL	92105
INSURANCE - OFFICE	51440
LEGAL AND ACCOUNTING	104398
OFFICE EXPENSES	123505
REPAIRS AND MAINTENANCE	45235

**TEST #8 (Continued):**

**FORM 1065, PAGE 1 (Continued):**

**LINE 20 (STM 01) (Continued):**

UTILITIES

16502

**FORM 1065, PAGE 2, SCHEDULE A:**

**LINE 1:** 425685

**LINE 2:** 3450865

**LINE 3:** 354785

**LINE 5 (STM 02):**

EQUIPMENT RENTAL 42502

PREPARATION COSTS 125740

INSURANCE - INVENTORY 25000

SHOWROOM COSTS 75200

REPAIRS AND MAINTENANCE 15000

**LINE 7:** 416011

**LINE 9a(ii):** X

**LINE 9(d):** NO

**LINE 9(e):** NO

**FORM 1065, PAGE 2, SCHEDULE B:**

**LINE 1a:** X

**LINE 2:** NO

**LINE 3:** NO

**LINE 4:** NO

**LINE 5:** NO

**LINE 6:** NO

**LINE 7:** NO

**LINE 8:** NO

**LINE 9:** NO

**LINE 10:** NO

**LINE 11:** NO

**LINE 12:** 0

NAME OF DESIGNATED TMP: PLYMOUTH FORD

IDENTIFYING NUMBER OF DESIGNATED TMP: 001-08-0001

ADDRESS OF DESIGNATED TMP: 2563 ANY DRIVE WEST  
ANYTOWN, MI 48145

**TEST #8 (Continued):**

**FORM 1065, PAGE 3, SCHEDULE K:**

<b>LINE 4a:</b>	5250	
<b>LINE 4b:</b>	1950	
<b>LINE 8 (STM 03):</b>		
MICHIGAN LEUKEMIA SOCIETY		1200
OLD MARINER'S CHURCH		530
FORD FOUNDATION		3500

**FORM 1065, PAGE 4, SCHEDULE L:**

<b>LINE 1(b):</b>	52240	
<b>LINE 1(d):</b>	55585	
<b>LINE 2a(a):</b>	725300	
<b>LINE 2a(c):</b>	714600	
<b>LINE 2b(a):</b>	57050	
<b>LINE 2b(c):</b>	52750	
<b>LINE 4(b):</b>	100000	
<b>LINE 4(d):</b>	125000	
<b>LINE 6(b) (STM 04):</b>		
PREPAID INSURANCE		14250
PREPAID PROPERTY TAXES		12866
<b>LINE 6(d) (STM 05):</b>		
PREPAID INSURANCE		11505
PREPAID PROPERTY TAXES		10856
<b>LINE 8(b) (STM 06):</b>		
BONDS - GENERAL MOTORS CORPORATION		200000
STOCK - FORD MOTOR COMPANY		130000
STOCK - CHRYSLER CORPORATION		105000
<b>LINE 8(d) (STM 07):</b>		
BONDS - GENERAL MOTORS CORPORATION		200000
STOCK - FORD MOTOR COMPANY		130000
STOCK - CHRYSLER CORPORATION		105000
<b>LINE 9a(a):</b>	975000	
<b>LINE 9a(c):</b>	975000	
<b>LINE 9b(a):</b>	675000	
<b>LINE 9b(c):</b>	715000	
<b>LINE 11b:</b>	165010	
<b>LINE 11d:</b>	165010	
<b>LINE 12a(a):</b>	175000	

**TEST #8 (Continued):**

**FORM 1065, PAGE 4, SCHEDULE L (Continued):**

<b>LINE 12a(c):</b>	175000	
<b>LINE 12b(a):</b>	26000	
<b>LINE 12b(c):</b>	33000	
<b>LINE 13(b) (STM 08):</b>		
COVENANTS NOT TO COMPETE		100000
DUE FROM RELATED PARTIES		25000
<b>LINE 13(d) (STM 09):</b>		
COVENANTS NOT TO COMPETE		100000
DUE FROM RELATED PARTIES		30000
<b>LINE 15(b):</b>	95000	
<b>LINE 15(d):</b>	113000	
<b>LINE 16(b):</b>	42050	
<b>LINE 16(d):</b>	44214	
<b>LINE 17(b) (STM 10):</b>		
ACCRUED SALARIES		12500
PAYROLL TAXES PAYABLE		10405
<b>LINE 17(d) (STM 11):</b>		
ACCRUED SALARIES		8950
PAYROLL TAXES PAYABLE		7485
<b>LINE 19(b):</b>	565750	
<b>LINE 19(d):</b>	523700	

**FORM 1065, PAGE 4, SCHEDULE M-1:**

<b>LINE 1:</b>	238872	
<b>LINE 4 (STM 12):</b>		
FORM 8844 CREDIT		5000

**FORM 1065, PAGE 4, SCHEDULE M-2:**

<b>LINE 1:</b>	1721596	
<b>LINE 3:</b>	233872	
<b>LINE 6a:</b>	240000	

**FORM 4255:**

**PROPERTY A:**

<b>LINE 1 - PROPERTY A:</b>	10%
<b>LINE 2 - PROPERTY A:</b>	250000
<b>LINE 4 - PROPERTY A:</b>	01/01/97

**TEST #8 (Continued):**

**FORM 4255 (Continued):**

**PROPERTY A (Continued):**

**LINE 5 - PROPERTY A:** 08/17/00  
**LINE 12** 10000

**FORM 4562:**

**ACTIVITY TO WHICH THIS FORM RELATES:**  
**FORM 1065, LINE 22**

**FORM 4562, PART III:**

**LINE 17:** 40000

**FORM 4562, PART V, SECTION C:**

**LINE 35** NO  
**LINE 36** NO  
**LINE 37** NO  
**LINE 38** NO  
**LINE 39** NO

**FORM 4562, PART VI:**

**LINE 41:** 7000

**FORM 8844**

**LINE 1:** 25000

**SCHEDULE K-1 (FORM 1065) #1:**

**PARTNER'S IDENTIFYING NUMBER:** 001-08-0001  
**PARTNERS NAME:** PLYMOUTH FORD  
**PARTNERS ADDRESS:** 2563 ANY DRIVE WEST  
ANYTOWN, MI 48145

**LINE A:** GENERAL PARTNER  
**LINE B:** INDIVIDUAL  
**LINE C:** DOMESTIC  
**LINE D(i):** PROFIT SHARING 50.00000%  
LOSS SHARING 50.00000%  
OWNERSHIP OF CAPITAL 50.00000%  
**LINE D(ii):** PROFIT SHARING 50.00000%  
LOSS SHARING 50.00000%

**TEST #8 (Continued):**

**SCHEDULE K-1 (FORM 1065) #1 (Continued):**

	OWNERSHIP OF CAPITAL	50.00000%	
<b>LINE E:</b>	CINCINNATI, OHIO		
<b>LINE F:</b>	QUALIFIED NONRECOURSE FINANCING		283957
	OTHER		64717
<b>LINE J(a):</b>	850000		
<b>LINE J(c):</b>	119436		
<b>LINE J(d):</b>	120000		
<b>LINE 13 (STM 13)</b>			
	FORM 8844 - ENPOWERMENT ZONE EMPLOYMENT CREDIT		2500

**SCHEDULE K-1 (FORM 1065) #2:**

	PARTNER'S IDENTIFYING NUMBER:	001-08-0002	
	PARTNER'S NAME:	MUSTANG GREMLIN	
	PARTNER'S ADDRESS:	2354 WEST ANY ROAD	
		ANYTOWN, MI 48388	
<b>LINE A:</b>	GENERAL PARTNER		
<b>LINE B:</b>	INDIVIDUAL		
<b>LINE C:</b>	DOMESTIC		
<b>LINE D(i):</b>	PROFIT SHARING	50.00000%	
	LOSS SHARING	50.00000%	
	OWNERSHIP OF CAPITAL	50.00000%	
<b>LINE D(ii):</b>	PROFIT SHARING	50.00000%	
	LOSS SHARING	50.00000%	
	OWNERSHIP OF CAPITAL	50.00000%	
<b>LINE E:</b>	CINCINNATI, OHIO		
<b>LINE F:</b>	QUALIFIED NONRECOURSE FINANCING		283957
	OTHER		64718
<b>LINE J(a):</b>	871596		
<b>LINE J(c):</b>	119436		
<b>LINE J(d):</b>	120000		
<b>LINE 13 (STM 14)</b>			
	FORM 8844 - ENPOWERMENT ZONE EMPLOYMENT CREDIT		2500

# U.S. Return of Partnership Income

OMB No. 1545-0099

For calendar year 2000, or tax year beginning \_\_\_\_\_, 2000, and ending \_\_\_\_\_, 20\_\_\_\_  
▶ See separate instructions.

**2000**

<b>A</b> Principal business activity <b>AUTO SALES</b>	<b>Use the IRS label. Otherwise, please print or type.</b>	Name of partnership <b>MOTOR CITY CAR SALES JOINT VENTURE</b>	<b>D</b> Employer identification number <b>52:0000008</b>
<b>B</b> Principal product or service <b>AUTO SALES</b>		Number, street, and room or suite no. If a P.O. box, see page 12 of the instructions. <b>8 ANY STREET</b>	<b>E</b> Date business started <b>6/20/83</b>
<b>C</b> Business code number <b>441110</b>		City or town, state, and ZIP code <b>ANYTOWN, MI 48210</b>	<b>F</b> Total assets (see page 12 of the instructions) <b>\$ 2,417,817</b>

**G** Check applicable boxes: (1)  Initial return (2)  Final return (3)  Change in address (4)  Amended return  
**H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_  
**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ 2

**Caution:** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

<b>Income</b>	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b> 5,158,443		
	<b>b</b> Less returns and allowances . . . . .	<b>1b</b> 10,554		<b>1c</b> 5,147,889
	<b>2</b> Cost of goods sold (Schedule A, line 8) . . . . .			<b>2</b> 4,098,766
	<b>3</b> Gross profit. Subtract line 2 from line 1c . . . . .			<b>3</b> 1,049,123
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule) . . . . .			<b>4</b>
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .			<b>5</b>
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 18. . . . .			<b>6</b>
	<b>7</b> Other income (loss) (attach schedule) . . . . .			<b>7</b>
<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .			<b>8</b> 1,049,123	
<b>Deductions</b> (see page 14 of the instructions for limitations)	<b>9</b> Salaries and wages (other than to partners) (less employment credits) . . . . .			<b>9</b> 120,000
	<b>10</b> Guaranteed payments to partners . . . . .			<b>10</b>
	<b>11</b> Repairs and maintenance . . . . .			<b>11</b> 55,125
	<b>12</b> Bad debts . . . . .			<b>12</b> 12,500
	<b>13</b> Rent . . . . .			<b>13</b>
	<b>14</b> Taxes and licenses . . . . .			<b>14</b> 45,605
	<b>15</b> Interest . . . . .			<b>15</b> 12,305
	<b>16a</b> Depreciation (if required, attach Form 4562) . . . . .	<b>16a</b> 40,000		
	<b>b</b> Less depreciation reported on Schedule A and elsewhere on return	<b>16b</b>		<b>16c</b> 40,000
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .			<b>17</b>
	<b>18</b> Retirement plans, etc. . . . .			<b>18</b> 22,500
	<b>19</b> Employee benefit programs . . . . .			<b>19</b> 7,500
	<b>20</b> Other deductions (attach schedule) . . . . .			<b>20</b> 496,686
<b>21 Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20 . . . . .			<b>21</b> 812,221	
<b>22 Ordinary income (loss)</b> from trade or business activities. Subtract line 21 from line 8 . . . . .			<b>22</b> 236,902	

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

**Please Sign Here**

▶ Signature of general partner or limited liability company member      ▶ Date

**Paid Preparer's Use Only**

Preparer's signature ▶      Date      Check if self-employed       Preparer's SSN or PTIN **001-99-0001**

Firm's name (or yours if self-employed), address, and ZIP code ▶ **ELETRONIC TAX FILERS, INC.**      EIN ▶ **52:0000099**

**100 TECO DRIVE RAIN TOWN, WA 98530**      Phone no. ( )

**Schedule A Cost of Goods Sold** (see page 17 of the instructions)

1	Inventory at beginning of year . . . . .	1	425,685	
2	Purchases less cost of items withdrawn for personal use . . . . .	2	3,450,865	
3	Cost of labor . . . . .	3	354,785	
4	Additional section 263A costs (attach schedule) . . . . .	4		
5	Other costs (attach schedule) . . . . .	5	283,442	
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6	4,514,777	
7	Inventory at end of year . . . . .	7	416,011	
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8	4,098,766	

- 9a Check all methods used for valuing closing inventory:
- (i)  Cost as described in Regulations section 1.471-3
  - (ii)  Lower of cost or market as described in Regulations section 1.471-4
  - (iii)  Other (specify method used and attach explanation) ▶ .....
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c). . . . ▶
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . ▶
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? . .  Yes  No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information**

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input checked="" type="checkbox"/> Domestic general partnership		
b <input type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶ .....		
2 Are any partners in this partnership also partnerships? . . . . .		X
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment . . . . .		X
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see <b>Designation of Tax Matters Partner</b> below . . . . .		X
5 Does this partnership meet <b>all three</b> of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000; <b>and</b>		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 . . . . .		X
6 Does this partnership have any foreign partners? . . . . .		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? . . . . .		X
8 Has this partnership filed, or is it required to file, <b>Form 8264</b> , Application for Registration of a Tax Shelter? . . . . .		X
9 At any time during calendar year 2000, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 18 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶ .....		X
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 18 of the instructions . . . . .		X
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under <b>Elections Made By the Partnership</b> on page 7 of the instructions . . . . .		X
12 Enter the number of Forms 8865 attached to this return ▶ .....		0

**Designation of Tax Matters Partner** (see page 18 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶	PLYMOUTH FORD	Identifying number of TMP ▶	001-08-0001
Address of designated TMP ▶	2563 ANY DRIVE WEST ANYTOWN, MI 48145		

**Schedule K Partners' Shares of Income, Credits, Deductions, etc.**

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 22)	1	236,902
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss): a Interest income	4a	5,250
	b	Ordinary dividends	4b	1,950
	c	Royalty income	4c	
	d	Net short-term capital gain (loss) (attach Schedule D (Form 1065))	4d	
	e	Net long-term capital gain (loss) (attach Schedule D (Form 1065)):		
	(1)	28% rate gain (loss)	4e(1)	
	(2)	Total for year	4e(2)	
	f	Other portfolio income (loss) (attach schedule)	4f	
5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	5,230
	9	Section 179 expense deduction (attach Form 4562)	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12a(1)	
	(2)	Other than on line 12a(1) for property placed in service before 1990	12a(2)	
	(3)	From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12a(3)	
	(4)	Other than on line 12a(3) for property placed in service after 1989	12a(4)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
d	Credits related to other rental activities	12d		
13	Other credits FORM 8844	13	5,000	
Investment Interest	14a	Interest expense on investment debts	14a	
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	7,200
	(2)	Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	236,902
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	1,049,123
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d (1)	Gross income from oil, gas, and geothermal properties	16d(1)	
	(2)	Deductions allocable to oil, gas, and geothermal properties	16d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession		
	b	Total gross income sourced at partner level	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
	(1)	U.S. source and listed categories	17c(1)	
	(2)	Passive	17c(2)	
	(3)	General limitation	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
	(1)	Interest expense	17d(1)	
(2)	Other	17d(2)		
e	Deductions allocated and apportioned at partnership level (attach schedule):			
(1)	U.S. source and listed categories	17e(1)		
(2)	Passive	17e(2)		
(3)	General limitation	17e(3)		
f	Total foreign taxes (check one): Paid <input checked="" type="checkbox"/> Accrued <input type="checkbox"/>	17f		
g	Reduction in taxes available for credit (attach schedule)	17g		
Other	18	Section 59(e)(2) expenditures: a Type b Amount	18b	
	19	Tax-exempt interest income	19	
	20	Other tax-exempt income	20	
	21	Nondeductible expenses	21	
	22	Distributions of money (cash and marketable securities)	22	240,000
	23	Distributions of property other than money	23	
	24	Other items and amounts required to be reported separately to partners (attach schedule)		

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17f, and 18b . . . . .						1	238,872
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners		238,872					
b Limited partners							

**Schedule L Balance Sheets per Books** (Not required if Question 5 on Schedule B is answered "Yes.")

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash . . . . .		52,240		55,585
2a Trade notes and accounts receivable . . . . .	725,300		714,600	
b Less allowance for bad debts . . . . .	57,050	668,250	52,750	661,850
3 Inventories . . . . .		425,685		416,011
4 U.S. government obligations . . . . .		100,000		125,000
5 Tax-exempt securities . . . . .				
6 Other current assets (attach schedule) . . . . .		27,116		22,361
7 Mortgage and real estate loans . . . . .				
8 Other investments (attach schedule) . . . . .		435,000		435,000
9a Buildings and other depreciable assets . . . . .	975,000		975,000	
b Less accumulated depreciation . . . . .	675,000	300,000	715,000	260,000
10a Depletable assets . . . . .				
b Less accumulated depletion . . . . .				
11 Land (net of any amortization) . . . . .		165,010		165,010
12a Intangible assets (amortizable only). . . . .	175,000		175,000	
b Less accumulated amortization . . . . .	26,000	149,000	33,000	142,000
13 Other assets (attach schedule) . . . . .		125,000		130,000
14 <b>Total assets</b> . . . . .		2,447,301		2,412,817
<b>Liabilities and Capital</b>				
15 Accounts payable . . . . .		95,000		113,000
16 Mortgages, notes, bonds payable in less than 1 year . . . . .		42,050		44,214
17 Other current liabilities (attach schedule) . . . . .		22,905		16,435
18 All nonrecourse loans . . . . .				
19 Mortgages, notes, bonds payable in 1 year or more . . . . .		565,750		523,700
20 Other liabilities (attach schedule) . . . . .				
21 Partners' capital accounts . . . . .		1,721,596		1,715,468
22 <b>Total liabilities and capital</b> . . . . .		2,447,301		2,412,817

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return** (Not required if Question 5 on Schedule B is answered "Yes." See page 29 of the instructions.)

1 Net income (loss) per books . . . . .	233,872	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): . . . . .		a Tax-exempt interest \$ . . . . .	
3 Guaranteed payments (other than health insurance) . . . . .		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17f, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17f, and 18b (itemize):		a Depreciation \$ . . . . .	
a Depreciation \$ . . . . .		8 Add lines 6 and 7 . . . . .	
b Travel and entertainment \$ . . . . .	5,000	9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 . . . . .	238,872
5 Add lines 1 through 4 . . . . .	238,872		

**Schedule M-2 Analysis of Partners' Capital Accounts** (Not required if Question 5 on Schedule B is answered "Yes.")

1 Balance at beginning of year . . . . .	1,721,596	6 Distributions: a Cash . . . . .	240,000
2 Capital contributed during year . . . . .		b Property . . . . .	
3 Net income (loss) per books . . . . .	233,872	7 Other decreases (itemize): . . . . .	
4 Other increases (itemize): . . . . .		8 Add lines 6 and 7 . . . . .	240,000
5 Add lines 1 through 4 . . . . .	1,955,468	9 Balance at end of year. Subtract line 8 from line 5 . . . . .	1,715,468



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-08-0001  
 Partner's name, address, and ZIP code #1  
 PLYMOUTH FORD  
 2563 ANY DRIVE WEST  
 ANYTOWN, MI 48145

**Partnership's identifying number** ▶ 52:0000008  
 Partnership's name, address, and ZIP code  
 MOTOR CITY CAR SALES JOINT VENTURE  
 8 ANY STREET  
 ANYTOWN, MI 48210

**A** This partner is a  general partner  limited partner  
 limited liability company member  
**B** What type of entity is this partner? ▶ INDIVIDUAL  
**C** Is this partner a  domestic or a  foreign partner?  
**D** Enter partner's percentage of:  
 Profit sharing . . . . . 50.00000% 50.00000%  
 Loss sharing . . . . . 50.00000% 50.00000%  
 Ownership of capital . . . . . 50.00000% 50.00000%  
**E** IRS Center where partnership filed return: CINCINNATI

**F** Partner's share of liabilities (see instructions):  
 Nonrecourse . . . . . \$  
 Qualified nonrecourse financing . . . . . \$ 283,957  
 Other . . . . . \$ 64,717  
**G** Tax shelter registration number . . . . .  
**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .   
**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
850,000		116,936	( 120,000 )	846,936

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Income (Loss)	1 Ordinary income (loss) from trade or business activities . . . . .	1	See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2	
	3 Net income (loss) from other rental activities . . . . .	3	
	4 Portfolio income (loss):		Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f)
	a Interest . . . . .	4a	
	b Ordinary dividends . . . . .	4b	
	c Royalties . . . . .	4c	
	d Net short-term capital gain (loss) . . . . .	4d	
	e Net long-term capital gain (loss):		
	(1) 28% rate gain (loss) . . . . .	e(1)	
	(2) Total for year. . . . .	e(2)	Sch. D, line 12, col. (g) Sch. D, line 12, col. (f)
	f Other portfolio income (loss) (attach schedule) . . . . .	4f	Enter on applicable line of your return.
	5 Guaranteed payments to partner . . . . .	5	See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6		
7 Other income (loss) (attach schedule) . . . . .	7		
Deductions	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8	Sch. A, line 15 or 16
	9 Section 179 expense deduction . . . . .	9	See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	10 Deductions related to portfolio income (attach schedule) . . . . .	10	
	11 Other deductions (attach schedule) . . . . .	11	
Credits	12a Low-income housing credit:		Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b	See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
	d Credits related to other rental activities . . . . .	12d	
13 Other credits . . . . .	13	2,500	



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

<b>Partner's identifying number</b> ▶ 001-08-0002	<b>Partnership's identifying number</b> ▶ 52:000008
Partner's name, address, and ZIP code # 2 MUSTANG GREMLIN 2354 WEST ANY ROAD ANYTOWN, MI 48388	Partnership's name, address, and ZIP code MOTOR CITY SALES JOINT VENTURE 8 ANY STREET ANYTOWN, MI 48210

- A** This partner is a  general partner  limited partner  
 limited liability company member
- B** What type of entity is this partner? ▶ INDIVIDUAL
- C** Is this partner a  domestic or a  foreign partner?
- D** Enter partner's percentage of: (i) Before change or termination (ii) End of year
- |                                |           |           |
|--------------------------------|-----------|-----------|
| Profit sharing . . . . .       | 50.00000% | 50.00000% |
| Loss sharing . . . . .         | 50.00000% | 50.00000% |
| Ownership of capital . . . . . | 50.00000% | 50.00000% |
- E** IRS Center where partnership filed return: CINCINNATI
- F** Partner's share of liabilities (see instructions):
- |   |    |         |
|---|----|---------|
| Nonrecourse . . . . .                     | \$ | .....   |
| Qualified nonrecourse financing . . . . . | \$ | 283,957 |
| Other . . . . .                           | \$ | 64,718  |
- G** Tax shelter registration number . . . . .
- H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .
- I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
871,596		116,936	( 120,000 )	868,532

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Income (Loss)	1 Ordinary income (loss) from trade or business activities . . . . .	1	See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2	
	3 Net income (loss) from other rental activities . . . . .	3	
	4 Portfolio income (loss):		Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f)
	a Interest . . . . .	4a	
	b Ordinary dividends . . . . .	4b	
	c Royalties . . . . .	4c	
	d Net short-term capital gain (loss) . . . . .	4d	
	e Net long-term capital gain (loss):		
	(1) 28% rate gain (loss) . . . . .	e(1)	Sch. D, line 12, col. (g)
	(2) Total for year. . . . .	e(2)	Sch. D, line 12, col. (f)
f Other portfolio income (loss) (attach schedule) . . . . .	4f	Enter on applicable line of your return.	
5 Guaranteed payments to partner . . . . .	5	See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6		
7 Other income (loss) (attach schedule) . . . . .	7		
Deductions	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8	Sch. A, line 15 or 16
	9 Section 179 expense deduction . . . . .	9	See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	10 Deductions related to portfolio income (attach schedule) . . . . .	10	
	11 Other deductions (attach schedule) . . . . .	11	
Credits	12a Low-income housing credit:		Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b	See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
	d Credits related to other rental activities . . . . .	12d	
13 Other credits . . . . .	13		



**TEST #9**

<b>FORMS REQUIRED:</b>	<b>1065, 4562, 4797, 5884, 2 K-1s (1065)</b>
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**FORM 1065, PAGE 1: IDENTIFYING INFORMATION**

**NAME OF PARTNERSHIP:**

SOFTWARE PARTNERSHIP  
9 ANY STREET  
ANYTOWN, FL 28564

**NAME OF PREPARER:**

ELECTRONIC TAX FILERS, INC.  
100 TECHO DRIVE  
RAINTOWN, WA 98530  
EIN: 52-0000099  
PREPARER SSN: 001-99-0001

**FORM 1065, PAGE 1:**

<b>LINE A:</b>	SOFTWARE DESIGN	
<b>LINE B:</b>	SOFTWARE SALES	
<b>LINE C:</b>	511210	
<b>LINE D:</b>	52-0000009	
<b>LINE E:</b>	04/01/97	
<b>LINE H(1)</b>	X	
<b>LINE 1a:</b>	545865	
<b>LINE 1b:</b>	2250	
<b>LINE 9:</b>	192541	
<b>LINE 11:</b>	1500	
<b>LINE 13:</b>	25000	
<b>LINE 14:</b>	7883	
<b>LINE 19:</b>	8500	
<b>LINE 20 (STM 01):</b>		
ADVERTISING		13250
INSURANCE		4215
MEALS & ENTERTAINMENT		1650
OFFICE EXPENSE		7500
PRINTING		7200
SUPPLIES		9500
TELEPHONE		10500
INTERNET ACCESS FEES		1465

**TEST #9 (Continued):**

**FORM 1065, PAGE 2, SCHEDULE A:**

LINE 1: 15000  
LINE 2: 152436  
LINE 3: 75000  
LINE 7: 33450  
LINE 9a(i): X  
LINE 9d: YES  
LINE 9e: NO

**FORM 1065, PAGE 2, SCHEDULE B:**

LINE 1a: X  
LINE 2: NO  
LINE 3: NO  
LINE 4: NO  
LINE 5: NO  
LINE 6: NO  
LINE 7: NO  
LINE 8: NO  
LINE 9: NO  
LINE 10: NO  
LINE 11: NO  
LINE 12: 0

NAME OF DESIGNATED TMP:  
IDENTIFYING NUMBER OF DESIGNATED TMP:  
ADDRESS OF DESIGNATED TMP:

BILL FENCE  
001-09-0001  
1 SOFTWARE WAY  
ANY BEACH, FL 25641

**FORM 1065, PAGE 3, SCHEDULE K:**

LINE 16a: -3309  
LINE 16b: -3487  
LINE 21: 7650

**FORM 1065, PAGE 4, SCHEDULE L:**

LINE 1(b): 79607  
LINE 1(d): 50333  
LINE 9a(a): 175000  
LINE 9a(c): 160000  
LINE 9b(a): 128992  
LINE 9b(c): 142950

**TEST #9 (Continued):**

**FORM 1065, PAGE 4, SCHEDULE L (Continued):**

LINE 15(b): 12514  
LINE 15(d): 8915

**FORM 1065, PAGE 4, SCHEDULE M-1:**

LINE 1: 14817  
LINE 4b: 1650  
LINE 4 (STM 02):  
FORM 5884 - CREDIT 6000

**FORM 1065, PAGE 4, SCHEDULE M-2:**

LINE 1: 128101  
LINE 3: 14817  
LINE 6a: 51000

**FORM 4562:**

**ACTIVITY TO WHICH THIS FORM RELATES:**  
FORM 1065, PAGE 1, LINE 22

**FORM 4562, PART III:**

LINE 17: 19358

**FORM 4562, PART V, SECTION C:**

LINE 35 NO  
LINE 36 NO  
LINE 37 NO  
LINE 38 NO  
LINE 39 NO

**FORM 4797, PAGE 1, PART II:**

**ACTIVITY TO WHICH THIS FORM RELATES:**  
FORM 1065, PAGE 1, LINE 6

LINE 10(a): BLASTO COLOR PRINTER  
LINE 10(b): 10/10/97  
LINE 10(c): 10/10/00  
LINE 10(d): 7500  
LINE 10(e): 5400  
LINE 10(f): 15000

**TEST #9 (Continued):**

**FORM 5884:**

**ACTIVITY TO WHICH THIS FORM RELATES:**

**FORM 1065, PAGE 3, LINE 13**

**LINE 1c: 15000**

**SCHEDULE K-1 (FORM 1065), #1:**

PARTNER'S IDENTIFICATION NUMBER: 001-09-0001

PARTNER'S NAME: BILL FENCE

PARTNER'S ADDRESS: 1 SOFTWARE WAY  
ANY BEACH, FL 25641

DESIGNATED AS TMP

**LINE A:** GENERAL PARTNER

**LINE B:** INDIVIDUAL

**LINE C:** DOMESTIC

**LINE D(i):** BEFORE CHANGE OR TERMINATION:

PROFIT SHARING 75.00000%

LOSS SHARING 75.00000%

OWNERSHIP OF CAPITAL 75.00000%

**LINE D(ii):** END OF YEAR:

PROFIT SHARING 75.00000%

LOSS SHARING 75.00000%

OWNERSHIP OF CAPITAL 75.00000%

**LINE E:** ATLANTA, GA

**LINE F:** OTHER 6686

**LINE J(a):** 96076

**LINE J(c):** 11113

**LINE J(d):** 50000

**SCHEDULE K-1 (FORM 1065), #2:**

PARTNER'S IDENTIFICATION NUMBER: 001-09-0002

PARTNER'S NAME: STEVEN BOBS

PARTNER'S ADDRESS: 10 TOWER ROAD  
ANY BEACH, FL 25685

**LINE A:** GENERAL PARTNER

**LINE B:** INDIVIDUAL

**LINE C:** DOMESTIC

**LINE D(i):** BEFORE CHANGE OR TERMINATION:

PROFIT SHARING 25.00000%

LOSS SHARING 25.00000%

**TEST #9 (Continued):**

**SCHEDULE K-1 (FORM 1065), #2 (Continued):**

<b>LINE D(i):</b>	OWNERSHIP OF CAPITAL	25.00000%
<b>LINE D(ii):</b>	END OF YEAR:	
	PROFIT SHARING	25.00000%
	LOSS SHARING	25.00000%
	OWNERSHIP OF CAPITAL	25.00000%
<b>LINE E:</b>	ATLANTA, GA	
<b>LINE F:</b>	OTHER	2229
<b>LINE J(a):</b>	32025	
<b>LINE J(c):</b>	3704	
<b>LINE J(d):</b>	1000	

# U.S. Return of Partnership Income

OMB No. 1545-0099

For calendar year 2000, or tax year beginning \_\_\_\_\_, 2000, and ending \_\_\_\_\_, 20\_\_\_\_  
▶ See separate instructions.

**2000**

**A** Principal business activity  
**SOFTWARE DESIGN**

Use the IRS label. Otherwise, please print or type.

Name of partnership  
**SOFTWARE PARTNERSHIP**

**D** Employer identification number  
**52:0000009**

**B** Principal product or service  
**SOFTWARE SALES**

Number, street, and room or suite no. If a P.O. box, see page 12 of the instructions.  
**9 ANY STREET**

**E** Date business started  
**4/01/97**

**C** Business code number  
**511210**

City or town, state, and ZIP code  
**ANYTOWN, FL 28564**

**F** Total assets (see page 12 of the instructions)  
\$ **100,833**

**G** Check applicable boxes: (1)  Initial return (2)  Final return (3)  Change in address (4)  Amended return  
**H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_  
**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ 2

**Caution:** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

<b>Income</b>	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b>	<b>545,865</b>				
	<b>b</b> Less returns and allowances. . . . .	<b>1b</b>	<b>2,250</b>		<b>1c</b>	<b>543,615</b>	
	<b>2</b> Cost of goods sold (Schedule A, line 8) . . . . .	<b>2</b>				<b>208,986</b>	
	<b>3</b> Gross profit. Subtract line 2 from line 1c. . . . .	<b>3</b>				<b>334,629</b>	
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule). . . . .	<b>4</b>					
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .	<b>5</b>					
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 18. . . . .	<b>6</b>				<b>(2,100)</b>	
	<b>7</b> Other income (loss) (attach schedule). . . . .	<b>7</b>					
<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .	<b>8</b>					<b>332,529</b>	
<b>Deductions</b> (see page 14 of the instructions for limitations)	<b>9</b> Salaries and wages (other than to partners) (less employment credits). . . . .	<b>9</b>				<b>192,541</b>	
	<b>10</b> Guaranteed payments to partners . . . . .	<b>10</b>					
	<b>11</b> Repairs and maintenance . . . . .	<b>11</b>				<b>1,500</b>	
	<b>12</b> Bad debts . . . . .	<b>12</b>					
	<b>13</b> Rent . . . . .	<b>13</b>				<b>25,000</b>	
	<b>14</b> Taxes and licenses . . . . .	<b>14</b>				<b>7,883</b>	
	<b>15</b> Interest . . . . .	<b>15</b>					
	<b>16a</b> Depreciation (if required, attach Form 4562) . . . . .	<b>16a</b>	<b>19,358</b>				
	<b>b</b> Less depreciation reported on Schedule A and elsewhere on return . . . . .	<b>16b</b>				<b>16c</b>	<b>19,358</b>
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .	<b>17</b>					
	<b>18</b> Retirement plans, etc. . . . .	<b>18</b>					
	<b>19</b> Employee benefit programs . . . . .	<b>19</b>				<b>8,500</b>	
	<b>20</b> Other deductions (attach schedule) . . . . .	<b>20</b>				<b>55,280</b>	
<b>21 Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20 . . . . .	<b>21</b>					<b>310,062</b>	
<b>22 Ordinary income (loss)</b> from trade or business activities. Subtract line 21 from line 8 . . . . .	<b>22</b>					<b>22,467</b>	

**Please Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

Signature of general partner or limited liability company member \_\_\_\_\_ Date \_\_\_\_\_

**Paid Preparer's Use Only**

Preparer's signature \_\_\_\_\_ Date \_\_\_\_\_ Check if self-employed  Preparer's SSN or PTIN **001-99-0001**

Firm's name (or yours if self-employed), address, and ZIP code **ELECTRONIC TAX FILERS, INC.** EIN **52:0000099**  
**100 TECHO DRIVE RAIN TOWN, WA 98530** Phone no. ( ) \_\_\_\_\_

**Schedule A Cost of Goods Sold** (see page 17 of the instructions)

1	Inventory at beginning of year . . . . .	1	15,000	
2	Purchases less cost of items withdrawn for personal use . . . . .	2	152,436	
3	Cost of labor . . . . .	3	75,000	
4	Additional section 263A costs (attach schedule) . . . . .	4		
5	Other costs (attach schedule) . . . . .	5		
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6	242,436	
7	Inventory at end of year . . . . .	7	33,450	
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8	208,986	

- 9a Check all methods used for valuing closing inventory:
- (i)  Cost as described in Regulations section 1.471-3
  - (ii)  Lower of cost or market as described in Regulations section 1.471-4
  - (iii)  Other (specify method used and attach explanation) ▶ .....
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c). . . . ▶
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . ▶
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? . .  Yes  No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information**

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input checked="" type="checkbox"/> Domestic general partnership		
b <input type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶ .....		
2 Are any partners in this partnership also partnerships? . . . . .		X
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment . . . . .		X
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see <b>Designation of Tax Matters Partner</b> below . . . . .		X
5 Does this partnership meet <b>all three</b> of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000; <b>and</b>		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 . . . . .		X
6 Does this partnership have any foreign partners? . . . . .		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? . . . . .		X
8 Has this partnership filed, or is it required to file, <b>Form 8264</b> , Application for Registration of a Tax Shelter? . . . . .		X
9 At any time during calendar year 2000, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 18 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶ .....		X
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 18 of the instructions . . . . .		X
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under <b>Elections Made By the Partnership</b> on page 7 of the instructions . . . . .		X
12 Enter the number of Forms 8865 attached to this return ▶ .....		0

**Designation of Tax Matters Partner** (see page 18 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶ **BILL FENCE** Identifying number of TMP ▶ **001-09-0001**

Address of designated TMP ▶ **1 SOFTWARE WAY**

**ANY BEACH, FL 25641**

**Schedule K Partners' Shares of Income, Credits, Deductions, etc.**

		(a) Distributive share items	(b) Total amount		
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 22)	1	22,467	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2		
	3a	Gross income from other rental activities	3a		
		b	Expenses from other rental activities (attach schedule)	3b	
	c		Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss): a Interest income	4a		
		b Ordinary dividends	4b		
		c Royalty income	4c		
		d Net short-term capital gain (loss) (attach Schedule D (Form 1065))	4d		
		e	Net long-term capital gain (loss) (attach Schedule D (Form 1065)):		
			(1) 28% rate gain (loss) (2) Total for year	4e(2)	
	f	Other portfolio income (loss) (attach schedule)	4f		
	5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6			
7	Other income (loss) (attach schedule)	7			
Deductions	8	Charitable contributions (attach schedule)	8		
	9	Section 179 expense deduction (attach Form 4562)	9		
	10	Deductions related to portfolio income (itemize)	10		
	11	Other deductions (attach schedule)	11		
Credits	12a	Low-income housing credit:			
	(1)	From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12a(1)		
	(2)	Other than on line 12a(1) for property placed in service before 1990	12a(2)		
	(3)	From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12a(3)		
	(4)	Other than on line 12a(3) for property placed in service after 1989	12a(4)		
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b		
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c		
d	Credits related to other rental activities	12d			
13	Other credits FORM 5884 WORK OPPORTUNITY CREDIT	13	6,000		
Investment Interest	14a	Interest expense on investment debts	14a		
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)		
		(2) Investment expenses included on line 10 above	14b(2)		
Self-Employment	15a	Net earnings (loss) from self-employment	15a	24,567	
	b	Gross farming or fishing income	15b		
		c	Gross nonfarm income	15c	334,629
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	(3,309)	
	b	Adjusted gain or loss	16b	(3,487)	
	c	Depletion (other than oil and gas)	16c		
	d	(1) Gross income from oil, gas, and geothermal properties	16d(1)		
		(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)		
	e	Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a	Name of foreign country or U.S. possession			
	b	Total gross income sourced at partner level	17b		
	c	Total gross income sourced at partnership level (attach schedule):			
		(1) U.S. source and listed categories (2) Passive (3) General limitation	17c(3)		
		d	Deductions allocated and apportioned at partner level:		
	(1)	Interest expense (2) Other	17d(2)		
	e	Deductions allocated and apportioned at partnership level (attach schedule):			
		(1) U.S. source and listed categories (2) Passive (3) General limitation	17e(3)		
f	Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17f			
g	Reduction in taxes available for credit (attach schedule)	17g			
Other	18	Section 59(e)(2) expenditures: a Type b Amount	18b		
	19	Tax-exempt interest income	19		
	20	Other tax-exempt income	20		
	21	Nondeductible expenses	21	7,650	
	22	Distributions of money (cash and marketable securities)	22	51,000	
	23	Distributions of property other than money	23		
	24	Other items and amounts required to be reported separately to partners (attach schedule)			

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17f, and 18b . . . . .						1	22,467
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners	22,467						
b Limited partners							

**Schedule L Balance Sheets per Books** (Not required if Question 5 on Schedule B is answered "Yes.")

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash . . . . .		79,607		50,333
2a Trade notes and accounts receivable . . . . .				
b Less allowance for bad debts . . . . .				
3 Inventories . . . . .		15,000		33,450
4 U.S. government obligations . . . . .				
5 Tax-exempt securities . . . . .				
6 Other current assets (attach schedule) . . . . .				
7 Mortgage and real estate loans . . . . .				
8 Other investments (attach schedule) . . . . .				
9a Buildings and other depreciable assets . . . . .	175,000		160,000	
b Less accumulated depreciation . . . . .	128,992	46,008	142,950	17,050
10a Depletable assets . . . . .				
b Less accumulated depletion . . . . .				
11 Land (net of any amortization) . . . . .				
12a Intangible assets (amortizable only). . . . .				
b Less accumulated amortization . . . . .				
13 Other assets (attach schedule) . . . . .				
14 <b>Total assets</b> . . . . .		140,615		100,833
<b>Liabilities and Capital</b>				
15 Accounts payable . . . . .		12,514		8,915
16 Mortgages, notes, bonds payable in less than 1 year . . . . .				
17 Other current liabilities (attach schedule) . . . . .				
18 All nonrecourse loans . . . . .				
19 Mortgages, notes, bonds payable in 1 year or more . . . . .				
20 Other liabilities (attach schedule) . . . . .				
21 Partners' capital accounts . . . . .		128,101		91,918
22 <b>Total liabilities and capital</b> . . . . .		140,615		100,833

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return** (Not required if Question 5 on Schedule B is answered "Yes." See page 29 of the instructions.)

1 Net income (loss) per books . . . . .	14,817	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): . . . . .		a Tax-exempt interest \$ . . . . .	
3 Guaranteed payments (other than health insurance) . . . . .		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17f, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17f, and 18b (itemize):		a Depreciation \$ . . . . .	
a Depreciation \$ . . . . .		8 Add lines 6 and 7 . . . . .	
b Travel and entertainment \$ 1,650 . . . . .		9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 . . . . .	22,467
OTHER 6,000 . . . . .	7,650		
5 Add lines 1 through 4 . . . . .	22,467		

**Schedule M-2 Analysis of Partners' Capital Accounts** (Not required if Question 5 on Schedule B is answered "Yes.")

1 Balance at beginning of year . . . . .	128,101	6 Distributions: a Cash . . . . .	51,000	51,000
2 Capital contributed during year . . . . .		b Property . . . . .		
3 Net income (loss) per books . . . . .	14,817	7 Other decreases (itemize): . . . . .		
4 Other increases (itemize): . . . . .		8 Add lines 6 and 7 . . . . .	51,000	
5 Add lines 1 through 4 . . . . .	142,918	9 Balance at end of year. Subtract line 8 from line 5 . . . . .	91,918	



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

Partner's identifying number ▶ **001-09-0001**

Partnership's identifying number ▶ **52-0000009**

Partner's name, address, and ZIP code #1  
**BILL FENCE**  
**1 SOFTWARE WAY**  
**ANY BEACH, FL 25641**

Partnership's name, address, and ZIP code  
**SOFTWARE PARTNERSHIP**  
**9 ANY STREET**  
**ANYTOWN, FL 28564**

**A** This partner is a  general partner  limited partner  
 limited liability company member **INDIVIDUAL**

**B** What type of entity is this partner? ▶ **INDIVIDUAL**

**C** Is this partner a  domestic or a  foreign partner?

**D** Enter partner's percentage of:  
Profit sharing . . . . . **75.0000** % **75.0000** %  
Loss sharing . . . . . **75.0000** % **75.0000** %  
Ownership of capital . . . . . **75.0000** % **75.0000** %

**E** IRS Center where partnership filed return: **ATLANTA**

**F** Partner's share of liabilities (see instructions):  
Nonrecourse . . . . . \$ .....  
Qualified nonrecourse financing . . . . . \$ .....  
Other . . . . . \$ **6,686**

**G** Tax shelter registration number . . . . . ▶ .....

**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .

**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
<b>96,076</b>		<b>11,113</b>	( <b>50,000</b> )	<b>57,189</b>

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	<b>1</b> Ordinary income (loss) from trade or business activities . . . . .	<b>1</b> <b>16,850</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>2</b> Net income (loss) from rental real estate activities . . . . .	<b>2</b>	
	<b>3</b> Net income (loss) from other rental activities . . . . .	<b>3</b>	
	<b>4</b> Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	<b>a</b> Interest . . . . .	<b>4a</b>	
	<b>b</b> Ordinary dividends . . . . .	<b>4b</b>	
	<b>c</b> Royalties . . . . .	<b>4c</b>	
<b>d</b> Net short-term capital gain (loss) . . . . .	<b>4d</b>		
<b>e</b> Net long-term capital gain (loss):			
<b>(1)</b> 28% rate gain (loss) . . . . .	<b>e(1)</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
<b>(2)</b> Total for year. . . . .	<b>e(2)</b>		
<b>f</b> Other portfolio income (loss) (attach schedule) . . . . .	<b>4f</b>	} Enter on applicable line of your return.	
<b>5</b> Guaranteed payments to partner . . . . .	<b>5</b>		
<b>6</b> Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	<b>6</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
<b>7</b> Other income (loss) (attach schedule) . . . . .	<b>7</b>		
<b>Deductions</b>	<b>8</b> Charitable contributions (see instructions) (attach schedule) . . . . .	<b>8</b>	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>9</b> Section 179 expense deduction . . . . .	<b>9</b>	
	<b>10</b> Deductions related to portfolio income (attach schedule) . . . . .	<b>10</b>	
	<b>11</b> Other deductions (attach schedule) . . . . .	<b>11</b>	
<b>Credits</b>	<b>12a</b> Low-income housing credit:		} Form 8586, line 5
	<b>(1)</b> From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	<b>a(1)</b>	
	<b>(2)</b> Other than on line 12a(1) for property placed in service before 1990 . . . . .	<b>a(2)</b>	
	<b>(3)</b> From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	<b>a(3)</b>	
	<b>(4)</b> Other than on line 12a(3) for property placed in service after 1989 . . . . .	<b>a(4)</b>	
	<b>b</b> Qualified rehabilitation expenditures related to rental real estate activities . . . . .	<b>12b</b>	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>c</b> Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	<b>12c</b>	
	<b>d</b> Credits related to other rental activities . . . . .	<b>12d</b>	
<b>13</b> Other credits . . . . . <b>SEE LINE 25</b>	<b>13</b> <b>4,500</b>		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1)	
		(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Gross farming or fishing income . . . . .	15b	
	c	Gross nonfarm income . . . . .	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b	Adjusted gain or loss . . . . .	16b	
	c	Depletion (other than oil and gas) . . . . .	16c	
	d	(1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	e	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
	e	Other adjustments and tax preference items ( <i>attach schedule</i> ) . . . . .	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶ . . . . .	17a	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.
	b	Total gross income sourced at partner level . . . . .	17b	
	c	Total gross income sourced at partnership level ( <i>attach schedule</i> ):		
		(1) U.S. source and listed categories . . . . .	17c(1)	
		(2) Passive . . . . .	17c(2)	
		(3) General limitation . . . . .	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
		(1) Interest expense . . . . .	17d(1)	
		(2) Other . . . . .	17d(2)	
	e	Deductions allocated and apportioned at partnership level ( <i>attach schedule</i> ):		
		(1) U.S. source and listed categories . . . . .	17e(1)	
	(2) Passive . . . . .	17e(2)		
	(3) General limitation . . . . .	17e(3)		
	f	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f	
	g	Reduction in taxes available for credit and other foreign tax information ( <i>attach schedule</i> ) . . . . .		
Other	18	Section 59(e)(2) expenditures: a Type ▶ . . . . .		} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Amount . . . . .	18b	
	19	Tax-exempt interest income . . . . .	19	Form 1040, line 8b
	20	Other tax-exempt income . . . . .	20	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	21	Nondeductible expenses . . . . .	21	
	22	Distributions of money (cash and marketable securities) . . . . .	22	
	23	Distributions of property other than money . . . . .	23	} Form 8611, line 8
24	Recapture of low-income housing credit:			
a	From section 42(j)(5) partnerships . . . . .	24a		
b	Other than on line 24a . . . . .	24b		
Supplemental Information	25	Supplemental information required to be reported separately to each partner ( <i>attach additional schedules if more space is needed</i> ):		
		<b>LINE 13 OTHER CREDITS:</b>		
		FORM 5884 - WORK OPPORTUNITY CREDIT	4,500	
		TOTAL	4,500	
		<b>ITEM J(C) - CAPITAL ACCOUNT ADJUSTMENTS</b>		
		ORDINARY INCOME (LOSS)	16,850	
		NONDEDUCTIBLE EXPENSES	(5,737)	
		TOTAL	11,113	



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-09-0002

**Partnership's identifying number** ▶ 52-0000009

Partner's name, address, and ZIP code # 2

Partnership's name, address, and ZIP code

STEVEN BOBS  
10 TOWER ROAD  
ANY BEACH, FL 25685

SOFTWARE PARTNERSHIP  
9 ANY STREET  
ANYTOWN, FL 28564

- A This partner is a  general partner  limited partner  
 limited liability company member **INDIVIDUAL**
- B What type of entity is this partner? ▶ **INDIVIDUAL**
- C Is this partner a  domestic or a  foreign partner?
- D Enter partner's percentage of:
 

	(i) Before change or termination	(ii) End of year
Profit sharing . . . . .	25.0000 %	25.0000 %
Loss sharing . . . . .	25.0000 %	25.0000 %
Ownership of capital . . . . .	25.0000 %	25.0000 %
- E IRS Center where partnership filed return: **ATLANTA**

- F Partner's share of liabilities (see instructions):
 

Nonrecourse . . . . .	\$	-----
Qualified nonrecourse financing . . . . .	\$	-----
Other . . . . .	\$	2,229
- G Tax shelter registration number . ▶ -----
- H Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .
- I Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
32,025		3,704	( 1,000 )	34,729

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	1 Ordinary income (loss) from trade or business activities . . . . .	1	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).  Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f)  Sch. D, line 12, col. (g) Sch. D, line 12, col. (f)  Enter on applicable line of your return.  } See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).  Enter on applicable line of your return.
	2 Net income (loss) from rental real estate activities . . . . .	2	
	3 Net income (loss) from other rental activities . . . . .	3	
	4 Portfolio income (loss):	4	
	a Interest . . . . .	4a	
	b Ordinary dividends . . . . .	4b	
	c Royalties . . . . .	4c	
	d Net short-term capital gain (loss) . . . . .	4d	
	e Net long-term capital gain (loss):	e	
	(1) 28% rate gain (loss) . . . . .	e(1)	
	(2) Total for year. . . . .	e(2)	
	f Other portfolio income (loss) (attach schedule) . . . . .	4f	
	5 Guaranteed payments to partner . . . . .	5	
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6		
7 Other income (loss) (attach schedule) . . . . .	7		
<b>Deductions</b>	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8	
	9 Section 179 expense deduction . . . . .	9	
	10 Deductions related to portfolio income (attach schedule) . . . . .	10	
	11 Other deductions (attach schedule) . . . . .	11	
<b>Credits</b>	12a Low-income housing credit:	12a	
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b	
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
	d Credits related to other rental activities . . . . .	12d	
13 Other credits . . . . .	13		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1)	
		(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Gross farming or fishing income . . . . .	15b	
	c	Gross nonfarm income . . . . .	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b	Adjusted gain or loss . . . . .	16b	
	c	Depletion (other than oil and gas) . . . . .	16c	
	d	(1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	e	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶ . . . . .	17a	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.
	b	Total gross income sourced at partner level . . . . .	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
		(1) U.S. source and listed categories . . . . .	17c(1)	
		(2) Passive . . . . .	17c(2)	
		(3) General limitation . . . . .	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
		(1) Interest expense . . . . .	17d(1)	
		(2) Other . . . . .	17d(2)	
	e	Deductions allocated and apportioned at partnership level (attach schedule):		
		(1) U.S. source and listed categories . . . . .	17e(1)	
	(2) Passive . . . . .	17e(2)		
	(3) General limitation . . . . .	17e(3)		
	f	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f	
	g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .		
Other	18	Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Amount . . . . .	18b	
	19	Tax-exempt interest income . . . . .	19	Form 1040, line 8b
	20	Other tax-exempt income . . . . .	20	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	21	Nondeductible expenses . . . . .	21	
	22	Distributions of money (cash and marketable securities) . . . . .	22	
	23	Distributions of property other than money . . . . .	23	} Form 8611, line 8
24	Recapture of low-income housing credit:			
a	From section 42(j)(5) partnerships . . . . .	24a		
b	Other than on line 24a . . . . .	24b		
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
		LINE 13 OTHER CREDITS:		
		FORM 5884 - WORK OPPORTUNITY CREDIT	1,500	
		TOTAL	1,500	
		ITEM J(C) - CAPITAL ACCOUNT ADJUSTMENTS		
		ORDINARY INCOME (LOSS)	5,617	
		NONDEDUCTIBLE EXPENSES	(1,913)	
		TOTAL	3,704	



**TEST # 10**

<b>FORMS REQUIRED: 1065, A(8847), 4562, 6478, 8830, 8835, 8847, 2 K-1s (1065)</b>
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**FORM 1065, PAGE 1: IDENTIFYING INFORMATION**

**NAME OF PARTNERSHIP:**

ORTHOPRODUCTS PARTNERSHIP  
10 ANY STREET  
ANY TOWN, MD 21044

**NAME OF PREPARER:**

ELECTRONIC TAX FILERS, INC.  
100 TECHO DRIVE  
RAINTOWN, WA 98530  
EIN: 52-0000099  
PREPARER SSN: 001-99-0001

**FORM 1065, PAGE 1:**

**LINE A:** MANFACT REP  
**LINE B:** SALES  
**LINE C:** 812990  
**LINE D:** 52-0000010  
**LINE E:** 01/01/96  
**LINE H(1)** X  
**LINE 1a:** 256000  
**LINE 9:** 115000  
**LINE 11:** 250  
**LINE 14:** 9200  
**LINE 18:** 15000

**LINE 20 (STM 01):**

AUTOMOBILE EXPENSE	12500
BANK CHARGES	115
INSURANCE	1450
MEALS & ENTERTAINMENT	9000
(To Line 20 - 4500 (50%); Disallowed - 4500 (50%))	
OFFICE EXPENSE	1990
TELEPHONE	6680
TRAVEL	14000

**TEST # 10 (Continued):**

**FORM 1065, PAGE 1 (Continued):**

MARKETING

8800

**FORM 1065, PAGE 2, SCHEDULE A:**

LINE 9(d): NO

LINE 9(e): NO

**FORM 1065, PAGE 2, SCHEDULE B:**

LINE 1a: X

LINE 2: NO

LINE 3: NO

LINE 4: NO

LINE 5: NO

LINE 6: NO

LINE 7: NO

LINE 8: NO

LINE 9: NO

LINE 10: NO

LINE 11: NO

LINE 12: 0

NAME OF DESIGNATED TMP: BENT KNEE

IDENTIFYING NUMBER OF DESIGNATED TMP: 001-10-0001

ADDRESS OF DESIGNATED TMP: 1 FROTHING BROOK WAY  
ANYTOWN, MD 21044

**FORM 1065, PAGE 3, SCHEDULE K:**

**LINE 13 - OTHER CREDITS:**

FROM FORM 6478 - LINE 11 225

FROM FORM 8830 - LINE 4 1875

FROM FORM 8835 - LINE 14 2563

FROM FORM 8847 - LINE 4 500

LINE 16a: 12866

**FORM 1065, PAGE 4, SCHEDULE L:**

LINE 1(b): 8515

LINE 1(d): 44530

LINE 9a(a): 150000

LINE 9a(c): 175000

**TEST # 10 (Continued):**

**FORM 1065, PAGE 4, SCHEDULE L (Continued):**

**LINE 9b(a):** 58163  
**LINE 9b(c):** 87973  
**LINE 17(b) (STM 02):**  
VARIOUS 45000  
**LINE 17(d) (STM 03):**  
VARIOUS 60000

**FORM 1065, PAGE 4, SCHEDULE M-1:**

**LINE 1:** 32205  
**LINE 4b:** 4500

**FORM 1065, PAGE 4, SCHEDULE M-2:**

**LINE 1:** 55352  
**LINE 3:** 32205  
**LINE 6a:** 16000

**SCHEDULE A (FORM 8847):**

Name, address, and employment identification number of the CDC:

BALTIMORE DEVELOPMENT CORPORATION  
10 NORTH HOLIDAY STREET  
BALTIMORE, MD 21201 52-1190004

Name and address of contributor:

ORTHOPRODUCTS PARTNERSHIP  
10 ANY STREET  
ANYTOWN, MD 21044

Kind of contribution/Charitable deduction: X  
Date of contribution 06/15/00  
Amount contributed 10,000  
Amount qualified for CDC credit 10,000

**FORM 4562**

**ACTIVITY TO WHICH THIS FORM RELATES:  
FORM 1065, PAGE 1, LINE 22**

**FORM 4562, PART II:**

**LINE 15(c):** 25000  
**LINE 15(d):** 7.0 yrs

**TEST # 10 (Continued):**

**FORM 4562, PART II (Continued):**

LINE 15(e): HY  
LINE 15(f): 200DB  
LINE 15(g): 3571

**FORM 4562, PART III:**

LINE 17: 26239

**FORM 4562, PART V, SECTION C:**

LINE 35 NO  
LINE 36 NO  
LINE 37 NO  
LINE 38 NO  
LINE 39 NO

**FORM 6478:**

LINE 1(a): 2250

**FORM 8830:**

LINE 1: 12500

**FORM 8835:**

LINE 1 (Kilowatt hours produced and sold): 150750

**FORM 8847:**

LINE 1: 10000

**SCHEDULE K-1 (FORM 1065), #1:**

PARTNER'S IDENTIFICATION NUMBER: 001-10-0001  
PARTNER'S NAME: BENT KNEE  
PARTNER'S ADDRESS: 1 FROTHING BROOK WAY  
ANYTOWN, MD 21044

LINE A: GENERAL PARTNER  
LINE B: INDIVIDUAL  
LINE C: DOMESTIC  
LINE D(i): BEFORE CHANGE OR TERMINATION:  
PROFIT SHARING 80.00000%

**TEST # 10 (Continued):**

**SCHEDULE K-1 (FORM 1065), #1 (Continued):**

<b>LINE D(i):</b>	LOSS SHARING	80.00000%
	OWNERSHIP OF CAPITAL	80.00000%
<b>LINE D(ii):</b>	END OF YEAR:	
	PROFIT SHARING	80.00000%
	LOSS SHARING	80.00000%
<b>LINE D(ii):</b>	OWNERSHIP OF CAPITAL	80.00000%
<b>LINE E:</b>	PHILADELPHIA, PA	
<b>LINE F:</b>	OTHER	48000
<b>LINE J(a):</b>	44282	
<b>LINE J(c):</b>	25764	
<b>LINE J(d):</b>	12800	

**LINE 13 (STM 04)**

FROM FORM 6478 - LINE 11	180
FROM FORM 8830 - LINE 4	1500
FROM FORM 8835 - LINE 14	2050
FROM FORM 8847 - LINE 4	400

**SCHEDULE K-1 (FORM 1065), #2:**

PARTNER'S IDENTIFICATION NUMBER: 001-10-0002  
PARTNER'S NAME: SORA SHOLDER  
PARTNER'S ADDRESS: 10 SWAN SWOON  
ANYTOWN, MD 21044

<b>LINE A:</b>	GENERAL PARTNER	
<b>LINE B:</b>	INDIVIDUAL	
<b>LINE C:</b>	DOMESTIC	
<b>LINE D(i):</b>	BEFORE CHANGE OR TERMINATION:	
	PROFIT SHARING	20.00000%
	LOSS SHARING	20.00000%
	OWNERSHIP OF CAPITAL	20.00000%
<b>LINE D(ii):</b>	END OF YEAR:	
	PROFIT SHARING	20.00000%
	LOSS SHARING	20.00000%
	OWNERSHIP OF CAPITAL	20.00000%
<b>LINE E:</b>	PHILADELPHIA, PA	
<b>LINE F:</b>	OTHER	12000
<b>LINE J(a):</b>	11070	
<b>LINE J(c):</b>	6441	

**TEST # 10 (Continued):**

**SCHEDULE K-1 (FORM 1065), #2 (Continued):**

**LINE J(d):** 3200

**LINE 13 (STM 05)**

FROM FORM 6478 - LINE 11	45
FROM FORM 8830 - LINE 4	375
FROM FORM 8835 - LINE 14	513
FROM FORM 8847 - LINE 4	100

# U.S. Return of Partnership Income

For calendar year 2000, or tax year beginning \_\_\_\_\_, 2000, and ending \_\_\_\_\_, 20\_\_\_\_  
▶ See separate instructions.

**2000**

<b>A</b> Principal business activity <b>MANUFACT REP</b>	<b>Use the IRS label. Otherwise, please print or type.</b>	Name of partnership <b>ORTHOPRODUCTS PARTNERSHIP</b>	<b>D</b> Employer identification number <b>52:0000010</b>
<b>B</b> Principal product or service <b>SALES</b>		Number, street, and room or suite no. If a P.O. box, see page 12 of the instructions. <b>10 ANY STREET</b>	<b>E</b> Date business started <b>1/01/96</b>
<b>C</b> Business code number <b>812990</b>		City or town, state, and ZIP code <b>ANY TOWN, MD 21044</b>	<b>F</b> Total assets (see page 12 of the instructions) <b>\$ 131,557</b>

**G** Check applicable boxes: (1)  Initial return (2)  Final return (3)  Change in address (4)  Amended return  
**H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_  
**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ **2**

**Caution:** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

<b>Income</b>	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b>	<b>256,000</b>		
	<b>b</b> Less returns and allowances . . . . .	<b>1b</b>		<b>1c</b>	<b>256,000</b>
	<b>2</b> Cost of goods sold (Schedule A, line 8) . . . . .	<b>2</b>			
	<b>3</b> Gross profit. Subtract line 2 from line 1c . . . . .	<b>3</b>			<b>256,000</b>
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule) . . . . .	<b>4</b>			
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .	<b>5</b>			
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 18. . . . .	<b>6</b>			
	<b>7</b> Other income (loss) (attach schedule) . . . . .	<b>7</b>			
<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .	<b>8</b>				<b>256,000</b>
<b>Deductions</b> (see page 14 of the instructions for limitations)	<b>9</b> Salaries and wages (other than to partners) (less employment credits) . . . . .	<b>9</b>			<b>115,000</b>
	<b>10</b> Guaranteed payments to partners . . . . .	<b>10</b>			
	<b>11</b> Repairs and maintenance . . . . .	<b>11</b>			<b>250</b>
	<b>12</b> Bad debts . . . . .	<b>12</b>			
	<b>13</b> Rent . . . . .	<b>13</b>			
	<b>14</b> Taxes and licenses . . . . .	<b>14</b>			<b>9,200</b>
	<b>15</b> Interest . . . . .	<b>15</b>			
	<b>16a</b> Depreciation (if required, attach Form 4562) . . . . .	<b>16a</b>	<b>29,810</b>		
	<b>b</b> Less depreciation reported on Schedule A and elsewhere on return . . . . .	<b>16b</b>			<b>29,810</b>
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .	<b>17</b>			
	<b>18</b> Retirement plans, etc. . . . .	<b>18</b>			<b>15,000</b>
	<b>19</b> Employee benefit programs . . . . .	<b>19</b>			
	<b>20</b> Other deductions (attach schedule) . . . . .	<b>20</b>			<b>50,035</b>
<b>21 Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20 . . . . .	<b>21</b>				<b>219,295</b>
<b>22 Ordinary income (loss)</b> from trade or business activities. Subtract line 21 from line 8 . . . . .	<b>22</b>				<b>36,705</b>

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

**Please Sign Here**

Signature of general partner or limited liability company member \_\_\_\_\_ Date \_\_\_\_\_

**Paid Preparer's Use Only**

Preparer's signature \_\_\_\_\_ Date \_\_\_\_\_ Check if self-employed  Preparer's SSN or PTIN **001-99-0001**

Firm's name (or yours if self-employed), address, and ZIP code **ELETRONIC TAX FILERS, INC.** EIN **52:0000099**  
**100 TECO DRIVE RAIN TOWN, WA** Phone no. ( ) \_\_\_\_\_

**Schedule A Cost of Goods Sold** (see page 17 of the instructions)

1	Inventory at beginning of year . . . . .	1		
2	Purchases less cost of items withdrawn for personal use . . . . .	2		
3	Cost of labor . . . . .	3		
4	Additional section 263A costs (attach schedule) . . . . .	4		
5	Other costs (attach schedule) . . . . .	5		
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6		
7	Inventory at end of year . . . . .	7		
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8		

- 9a Check all methods used for valuing closing inventory:
- (i)  Cost as described in Regulations section 1.471-3
  - (ii)  Lower of cost or market as described in Regulations section 1.471-4
  - (iii)  Other (specify method used and attach explanation) ▶ .....
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c). . . . ▶
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . ▶
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? . .  Yes  No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information**

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input checked="" type="checkbox"/> Domestic general partnership		
b <input type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶ .....		
2 Are any partners in this partnership also partnerships? . . . . .		X
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment . . . . .		X
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see <b>Designation of Tax Matters Partner</b> below . . . . .		X
5 Does this partnership meet <b>all three</b> of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000; <b>and</b>		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 . . . . .		X
6 Does this partnership have any foreign partners? . . . . .		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? . . . . .		X
8 Has this partnership filed, or is it required to file, <b>Form 8264</b> , Application for Registration of a Tax Shelter? . . . . .		X
9 At any time during calendar year 2000, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 18 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶ .....		X
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 18 of the instructions . . . . .		X
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under <b>Elections Made By the Partnership</b> on page 7 of the instructions . . . . .		X
12 Enter the number of Forms 8865 attached to this return ▶ .....		0

**Designation of Tax Matters Partner** (see page 18 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶ **BENT KNEE** Identifying number of TMP ▶ **001-10-0001**

Address of designated TMP ▶ **1 FROTHING BROOK WAY ANYTOWN, MD 21044**

**Schedule K** Partners' Shares of Income, Credits, Deductions, etc.

		(a) Distributive share items	(b) Total amount		
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 22)	1	36,705	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2		
	3a	Gross income from other rental activities	3a		
		b	Expenses from other rental activities (attach schedule)	3b	
	c		Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss): a Interest income	4a		
		b Ordinary dividends	4b		
		c Royalty income	4c		
		d Net short-term capital gain (loss) (attach Schedule D (Form 1065))	4d		
		e	Net long-term capital gain (loss) (attach Schedule D (Form 1065)):		
			(1) 28% rate gain (loss) (2) Total for year	4e(2)	
	f	Other portfolio income (loss) (attach schedule)	4f		
	5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6			
7	Other income (loss) (attach schedule)	7			
Deductions	8	Charitable contributions (attach schedule)	8		
	9	Section 179 expense deduction (attach Form 4562)	9		
	10	Deductions related to portfolio income (itemize)	10		
	11	Other deductions (attach schedule)	11		
Credits	12a	Low-income housing credit:			
	(1)	From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12a(1)		
	(2)	Other than on line 12a(1) for property placed in service before 1990	12a(2)		
	(3)	From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12a(3)		
	(4)	Other than on line 12a(3) for property placed in service after 1989	12a(4)		
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b		
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c		
d	Credits related to other rental activities	12d			
13	Other credits	13			
Investment Interest	14a	Interest expense on investment debts	14a		
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)		
		(2) Investment expenses included on line 10 above	14b(2)		
Self-Employment	15a	Net earnings (loss) from self-employment	15a	36,705	
	b	Gross farming or fishing income	15b		
	c	Gross nonfarm income	15c	256,000	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	12,866	
	b	Adjusted gain or loss	16b		
	c	Depletion (other than oil and gas)	16c		
	d	(1) Gross income from oil, gas, and geothermal properties	16d(1)		
		(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)		
	e	Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a	Name of foreign country or U.S. possession			
	b	Total gross income sourced at partner level	17b		
	c	Total gross income sourced at partnership level (attach schedule):			
		(1) U.S. source and listed categories (2) Passive (3) General limitation	17c(3)		
		d	Deductions allocated and apportioned at partner level:		
	(1)	Interest expense (2) Other	17d(2)		
	e	Deductions allocated and apportioned at partnership level (attach schedule):			
		(1) U.S. source and listed categories (2) Passive (3) General limitation	17e(3)		
f	Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17f			
g	Reduction in taxes available for credit (attach schedule)	17g			
Other	18	Section 59(e)(2) expenditures: a Type b Amount	18b		
	19	Tax-exempt interest income	19		
	20	Other tax-exempt income	20		
	21	Nondeductible expenses	21	4,500	
	22	Distributions of money (cash and marketable securities)	22	16,000	
	23	Distributions of property other than money	23		
	24	Other items and amounts required to be reported separately to partners (attach schedule)			

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17f, and 18b . . . . .						1	36,705
2 Analysis by partner type:		(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other
a General partners			36,705				
b Limited partners							

**Schedule L Balance Sheets per Books** (Not required if Question 5 on Schedule B is answered "Yes.")

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash . . . . .		8,515		44,530
2a Trade notes and accounts receivable . . . . .				
b Less allowance for bad debts . . . . .				
3 Inventories . . . . .				
4 U.S. government obligations . . . . .				
5 Tax-exempt securities . . . . .				
6 Other current assets (attach schedule) . . . . .				
7 Mortgage and real estate loans . . . . .				
8 Other investments (attach schedule) . . . . .				
9a Buildings and other depreciable assets . . . . .	150,000		175,000	
b Less accumulated depreciation . . . . .	58,163	91,837	87,973	87,027
10a Depletable assets . . . . .				
b Less accumulated depletion . . . . .				
11 Land (net of any amortization) . . . . .				
12a Intangible assets (amortizable only). . . . .				
b Less accumulated amortization . . . . .				
13 Other assets (attach schedule) . . . . .				
14 <b>Total assets</b> . . . . .		100,352		131,557
<b>Liabilities and Capital</b>				
15 Accounts payable . . . . .				
16 Mortgages, notes, bonds payable in less than 1 year . . . . .				
17 Other current liabilities (attach schedule) . . . . .		45,000		60,000
18 All nonrecourse loans . . . . .				
19 Mortgages, notes, bonds payable in 1 year or more . . . . .				
20 Other liabilities (attach schedule) . . . . .				
21 Partners' capital accounts . . . . .		55,352		71,557
22 <b>Total liabilities and capital</b> . . . . .		100,352		131,557

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return** (Not required if Question 5 on Schedule B is answered "Yes." See page 29 of the instructions.)

1 Net income (loss) per books . . . . .	32,205	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): . . . . .		a Tax-exempt interest \$ . . . . .	
3 Guaranteed payments (other than health insurance) . . . . .		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17f, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17f, and 18b (itemize):		a Depreciation \$ . . . . .	
a Depreciation \$ . . . . .		8 Add lines 6 and 7 . . . . .	
b Travel and entertainment \$ 4,500 . . . . .	4,500	9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 . . . . .	36,705
5 Add lines 1 through 4 . . . . .	36,705		

**Schedule M-2 Analysis of Partners' Capital Accounts** (Not required if Question 5 on Schedule B is answered "Yes.")

1 Balance at beginning of year . . . . .	55,352	6 Distributions: a Cash . . . . .	16,000	16,000
2 Capital contributed during year . . . . .		b Property . . . . .		
3 Net income (loss) per books . . . . .	32,205	7 Other decreases (itemize): . . . . .		
4 Other increases (itemize): . . . . .		8 Add lines 6 and 7 . . . . .		16,000
5 Add lines 1 through 4 . . . . .	87,557	9 Balance at end of year. Subtract line 8 from line 5 . . . . .		71,557



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-10-0001  
 Partner's name, address, and ZIP code # 1  
**BENT KNEE**  
**1 FROTHING BROOK WAY**  
**ANYTOWN, MD 21044**

**Partnership's identifying number** ▶ 52:0000010  
 Partnership's name, address, and ZIP code  
**ORTHOPRODUCTS PARTNERSHIP**  
**10 ANY STREET**  
**ANY TOWN, MD 21044**

**A** This partner is a  general partner  limited partner  
 limited liability company member  
**B** What type of entity is this partner? ▶ **INDIVIDUAL**  
**C** Is this partner a  domestic or a  foreign partner?  
**D** Enter partner's percentage of:  
 Profit sharing . . . . . **80.0000** % **80.0000** %  
 Loss sharing . . . . . **80.0000** % **80.0000** %  
 Ownership of capital . . . . . **80.0000** % **80.0000** %  
**E** IRS Center where partnership filed return: **PHILADELPHIA**

**F** Partner's share of liabilities (see instructions):  
 Nonrecourse . . . . . \$ .....  
 Qualified nonrecourse financing . . . . . \$ .....  
 Other . . . . . \$ **48,000**  
**G** Tax shelter registration number . . . . .  
**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .   
**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
44,282		25,764	( 12,800 )	57,246

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	1 Ordinary income (loss) from trade or business activities . . . . .	1 29,364	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2	
	3 Net income (loss) from other rental activities . . . . .	3	
	4 Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f)
	a Interest . . . . .	4a	
	b Ordinary dividends . . . . .	4b	
	c Royalties . . . . .	4c	
	d Net short-term capital gain (loss) . . . . .	4d	
	e Net long-term capital gain (loss):		
	(1) 28% rate gain (loss) . . . . .	e(1)	} Sch. D, line 12, col. (g) Sch. D, line 12, col. (f)
	(2) Total for year. . . . .	e(2)	
	f Other portfolio income (loss) (attach schedule) . . . . .	4f	} Enter on applicable line of your return.
	5 Guaranteed payments to partner . . . . .	5	
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
7 Other income (loss) (attach schedule) . . . . .	7		
<b>Deductions</b>	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	9 Section 179 expense deduction . . . . .	9	
	10 Deductions related to portfolio income (attach schedule) . . . . .	10	
	11 Other deductions (attach schedule) . . . . .	11	
<b>Credits</b>	12a Low-income housing credit:		} Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
	d Credits related to other rental activities . . . . .	12d	
13 Other credits . . . . .	13		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Investment Interest</b>	<b>14a</b>	Interest expense on investment debts . . . . .	<b>14a</b>	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>b (1)</b>	(1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	<b>b(1)</b>	
	<b>b (2)</b>	(2) Investment expenses included on line 10 . . . . .	<b>b(2)</b>	
<b>Self-employment</b>	<b>15a</b>	Net earnings (loss) from self-employment . . . . .	<b>15a</b>	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>b</b>	Gross farming or fishing income . . . . .	<b>15b</b>	
	<b>c</b>	Gross nonfarm income . . . . .	<b>15c</b>	
<b>Adjustments and Tax Preference Items</b>	<b>16a</b>	Depreciation adjustment on property placed in service after 1986 . . . . .	<b>16a</b>	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	<b>b</b>	Adjusted gain or loss . . . . .	<b>16b</b>	
	<b>c</b>	Depletion (other than oil and gas) . . . . .	<b>16c</b>	
	<b>d (1)</b>	(1) Gross income from oil, gas, and geothermal properties . . . . .	<b>d(1)</b>	
	<b>d (2)</b>	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	<b>d(2)</b>	
<b>e</b>	Other adjustments and tax preference items ( <i>attach schedule</i> ) . . . . .	<b>16e</b>		
<b>Foreign Taxes</b>	<b>17a</b>	Name of foreign country or U.S. possession ▶ . . . . .	<b>17a</b>	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.
	<b>b</b>	Total gross income sourced at partner level . . . . .	<b>17b</b>	
	<b>c</b>	Total gross income sourced at partnership level ( <i>attach schedule</i> ):		
	<b>(1)</b>	(1) U.S. source and listed categories . . . . .	<b>17c(1)</b>	
	<b>(2)</b>	(2) Passive . . . . .	<b>17c(2)</b>	
	<b>(3)</b>	(3) General limitation . . . . .	<b>17c(3)</b>	
	<b>d</b>	Deductions allocated and apportioned at partner level:		
	<b>(1)</b>	(1) Interest expense . . . . .	<b>17d(1)</b>	
	<b>(2)</b>	(2) Other . . . . .	<b>17d(2)</b>	
	<b>e</b>	Deductions allocated and apportioned at partnership level ( <i>attach schedule</i> ):		
<b>(1)</b>	(1) U.S. source and listed categories . . . . .	<b>17e(1)</b>		
<b>(2)</b>	(2) Passive . . . . .	<b>17e(2)</b>		
<b>(3)</b>	(3) General limitation . . . . .	<b>17e(3)</b>		
<b>f</b>	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	<b>17f</b>		
<b>g</b>	Reduction in taxes available for credit and other foreign tax information ( <i>attach schedule</i> ) . . . . .			
<b>Other</b>	<b>18</b>	Section 59(e)(2) expenditures: <b>a</b> Type ▶ . . . . .	<b>18a</b>	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>b</b>	Amount . . . . .	<b>18b</b>	
	<b>19</b>	Tax-exempt interest income . . . . .	<b>19</b>	Form 1040, line 8b
	<b>20</b>	Other tax-exempt income . . . . .	<b>20</b>	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>21</b>	Nondeductible expenses . . . . .	<b>21</b>	
	<b>22</b>	Distributions of money (cash and marketable securities) . . . . .	<b>22</b>	
	<b>23</b>	Distributions of property other than money . . . . .	<b>23</b>	
<b>24</b>	Recapture of low-income housing credit:		} Form 8611, line 8	
<b>a</b>	From section 42(j)(5) partnerships . . . . .	<b>24a</b>		
<b>b</b>	Other than on line 24a . . . . .	<b>24b</b>		
<b>Supplemental Information</b>	<b>25</b>	Supplemental information required to be reported separately to each partner ( <i>attach additional schedules if more space is needed</i> ):		
		-----		
		ITEM J(C) - CAPITAL ACCOUNT ADJUSTMENTS		
		ORDINARY INCOME (LOSS)	29,364	
		NONDEDUCTIBLE EXPENSES	(3,600)	
	TOTAL	25,764		
	-----			
	-----			
	-----			
	-----			



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-10-0002

**Partnership's identifying number** ▶ 52:0000010

Partner's name, address, and ZIP code # 2

Partnership's name, address, and ZIP code

SORA SHOLDER  
10 SWAN SWOON  
ANYTOWN, MD 21044

ORTHOPRODUCTS PARTNERSHIP  
10 ANY STREET  
ANY TOWN, MD 21044

- A** This partner is a  general partner  limited partner  
 limited liability company member
- B** What type of entity is this partner? ▶ INDIVIDUAL
- C** Is this partner a  domestic or a  foreign partner?
- D** Enter partner's percentage of:
 

	(i) Before change or termination	(ii) End of year
Profit sharing . . . . .	20.0000%	20.0000%
Loss sharing . . . . .	20.0000%	20.0000%
Ownership of capital . . . . .	20.0000%	20.0000%
- E** IRS Center where partnership filed return:

- F** Partner's share of liabilities (see instructions):
 

Nonrecourse . . . . .	\$	.....
Qualified nonrecourse financing . . . . .	\$	.....
Other . . . . .	\$	12,000
- G** Tax shelter registration number . ▶ .....
- H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .
- I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
11,070		6,441	( 3,200 )	14,311

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	1 Ordinary income (loss) from trade or business activities . . . . .	1	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2	
	3 Net income (loss) from other rental activities . . . . .	3	
	4 Portfolio income (loss):	/	} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f)
	a Interest . . . . .	4a	
	b Ordinary dividends . . . . .	4b	
	c Royalties . . . . .	4c	
	d Net short-term capital gain (loss) . . . . .	4d	
	e Net long-term capital gain (loss):	/	
	(1) 28% rate gain (loss) . . . . .	e(1)	} Sch. D, line 12, col. (g) Sch. D, line 12, col. (f)
	(2) Total for year. . . . .	e(2)	
	f Other portfolio income (loss) (attach schedule) . . . . .	4f	} Enter on applicable line of your return.
	5 Guaranteed payments to partner . . . . .	5	
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
7 Other income (loss) (attach schedule) . . . . .	7		
<b>Deductions</b>	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	9 Section 179 expense deduction . . . . .	9	
	10 Deductions related to portfolio income (attach schedule) . . . . .	10	
	11 Other deductions (attach schedule) . . . . .	11	
<b>Credits</b>	12a Low-income housing credit:	/	} Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
	d Credits related to other rental activities . . . . .	12d	
13 Other credits . . . . .	13		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1)	
		(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Gross farming or fishing income . . . . .	15b	
	c	Gross nonfarm income . . . . .	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b	Adjusted gain or loss . . . . .	16b	
	c	Depletion (other than oil and gas) . . . . .	16c	
	d	(1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	e	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶ . . . . .	17a	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.
	b	Total gross income sourced at partner level . . . . .	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
		(1) U.S. source and listed categories . . . . .	17c(1)	
		(2) Passive . . . . .	17c(2)	
		(3) General limitation . . . . .	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
		(1) Interest expense . . . . .	17d(1)	
		(2) Other . . . . .	17d(2)	
	e	Deductions allocated and apportioned at partnership level (attach schedule):		
	(1) U.S. source and listed categories . . . . .	17e(1)		
	(2) Passive . . . . .	17e(2)		
	(3) General limitation . . . . .	17e(3)		
f	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	18	Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Amount . . . . .	18b	
	19	Tax-exempt interest income . . . . .	19	Form 1040, line 8b
	20	Other tax-exempt income . . . . .	20	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	21	Nondeductible expenses . . . . .	21	
	22	Distributions of money (cash and marketable securities) . . . . .	22	
	23	Distributions of property other than money . . . . .	23	
24	Recapture of low-income housing credit:		} Form 8611, line 8	
a	From section 42(j)(5) partnerships . . . . .	24a		
b	Other than on line 24a . . . . .	24b		
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
		ITEM J (C) - CAPITAL ACCOUNT ADJUSTMENTS		
		ORDINARY INCOME (LOSS)	7,341	
		NONDEDUCTIBLE EXPENSES	(900)	
	TOTAL	6,441		



**TEST #11**

**FORMS REQUIRED: 1065, 926, 4562, 4797, 5884, 6252, 6781, 8697, 2 K-1s (1065)**

**FORM 1065, PAGE 1: IDENTIFYING INFORMATION**

**NAME OF PARTNERSHIP:**

WINDY CITY HOUSING DEVELOPERS  
11 ANY STREET  
ANYTOWN, IN 46623

**NAME OF PREPARER:**

ELECTRONIC TAX FILERS, INC.  
100 TECHO DRIVE  
RAINTOWN, WA 98530  
EIN: 52-0000099  
PREPARER SSN: 001-99-0001

**FORM 1065, PAGE 1:**

**LINE A:** CONSTRUCTION  
**LINE B:** HOUSING  
**LINE C:** 233200  
**LINE D:** 52-0000011  
**LINE E:** 07/21/93  
**LINE H(2):** X  
**LINE 1a:** 5210975  
**LINE 1b:** 315045  
**LINE 9:** 78265 (To Form 1065, Page 1, Line 9 - 76,338;  
...To Form 5884, Line 2 - 1,927)  
**LINE 10:** 725581  
**LINE 11:** 57850  
**LINE 12:** 35448  
**LINE 14:** 275985  
**LINE 15:** 145867  
**LINE 18:** 25785  
**LINE 19:** 69854  
**LINE 20 (STM 01):**  
AMORTIZATION (FROM FORM 4562) 11000  
BANK CHARGES 850  
COMPUTER MAINTENANCE 3074  
COMPUTER SOFTWARE 4125  
DUES & SUBSCRIPTIONS 2385  
EQUIPMENT RENTAL 48950  
INSURANCE - OFFICE 22418

**TEST #11 (Continued):**

**FORM 1065, PAGE 1 (Continued):**

**LINE 20 - OTHER DEDUCTIONS (STM 01) (Continued):**

LEGAL AND ACCOUNTING	28950	
MEALS AND ENTERTAINMENT (AT 100%)	2010	(AT 50% - 1005)
OFFICE EXPENSES	16850	
OFFICE SUPPLIES	18589	
PUBLIC AND EMPLOYEE RELATIONS	750	
REPAIRS AND MAINTENANCE	9508	
TELEPHONE	11850	
UTILITIES	25205	

**FORM 1065, PAGE 2, SCHEDULE A:**

**LINE 1:** 143958

**LINE 2:** 1586542

**LINE 3:** 837059

**LINE 4 (STM 02):**

INTEREST UNDER AVOIDED COST METHOD	12785
OTHER INDIRECT COSTS CAPITALIZED	8550

**LINE 5 (STM 03):**

BUILDING MATERIALS	105515
WORK-IN-PROGRESS	352865
AUTO AND TRAVEL EXPENSE	7052
BUILDING PERMITS	19544
TITLE RESEARCH/LEGAL FEES	11959
INSURANCE - CONSTRUCTION SITES	185696
SUBCONTRACTORS	55850

**LINE 7:** 158694

**LINE 9a(i):** X

**LINE 9(d):** YES

**LINE 9(e):** NO

**FORM 1065, PAGE 2, SCHEDULE B:**

**LINE 1a:** X

**LINE 2:** NO

**LINE 3:** NO

**LINE 4:** NO

**LINE 5:** NO

**LINE 6:** NO

**LINE 7:** NO

**LINE 8:** NO

**LINE 9:** NO

**TEST #11 (Continued):**

**FORM 1065, PAGE 2, SCHEDULE B (Continued):**

LINE 10: NO  
LINE 11: NO  
LINE 12: 0

**FORM 1065, PAGE 2 (DESIGNATION OF TAX MATTERS PARTNER):**

NAME OF DESIGNATED TMP: ARA PARMESAN |  
IDENTIFIING NUMBER OF DESIGNATED TMP: 001-11-0001  
ADDRESS OF DESIGNATED TMP: 567 W. ANY SHORE BLVD.  
ANYTOWN, IN 46624

**FORM 1065, PAGE 3, SCHEDULE K:**

LINE 4a: 4158

**LINE 8 (STM 04):**

UNITED WAY OF MICHIANA 15250  
ST. STANISLAUS CHURCH 3542  
UNIVERSITY OF NOTRE DAME 5415  
ST. MARY'S COLLEGE 5863

**LINE 11 (STM 05):**

OTHER INSURANCE, MEDICAL INSURANCE FOR PARTNERS 25581

**FORM 1065, PAGE 4, SCHEDULE L:**

LINE 1(b): 230837

LINE 1(d): 200733

LINE 2a(a): 354058

LINE 2a(c): 350752

LINE 2b(a): 10567

LINE 2b(c): 10980

LINE 5(b): 46000

LINE 5(d): 36500

**LINE 6(b) (STM 06):**

PREPAID INSURANCE 12865  
ACCRUED INTEREST RECEIVABLE 1256  
DIVIDENDS RECEIVABLE 1050

**LINE 6(d) (STM 07):**

PREPAID INSURANCE 13520  
ACCRUED INTEREST RECEIVABLE 565  
DIVIDENDS RECEIVABLE 1075

LINE 7(b): 423505

LINE 7(d): 446850

LINE 9a(a): 1525657

**TEST #11 (Continued):**

**FORM 1065, PAGE 4, SCHEDULE L (Continued):**

<b>LINE 9a(c):</b>	1560670	
<b>LINE 9b(a):</b>	425075	
<b>LINE 9b(c):</b>	506155	
<b>LINE 11b:</b>	225000	
<b>LINE 11d:</b>	225000	
<b>LINE 12a(a):</b>	275000	
<b>LINE 12a(c):</b>	275000	
<b>LINE 12b(a):</b>	45065	
<b>LINE 12b(c):</b>	56065	
<b>LINE 13(b) (STM 08):</b>		
DUE FROM RELATED PARTIES		215850
COVENANT NOT TO COMPETE		175000
SECURITY DEPOSITS		257650
PERFORMANCE GUARANTY FEES		12750
<b>LINE 13(d) (STM 09):</b>		
DUE FROM RELATED PARTIES		214557
COVENANT NOT TO COMPETE		175000
SECURITY DEPOSITS		274586
PERFORMANCE GUARANTY FEES		15940
<b>LINE 15(b):</b>	315048	
<b>LINE 15(d):</b>	346854	
<b>LINE 16(b):</b>	244850	
<b>LINE 16(d):</b>	246750	
<b>LINE 17(b) (STM 10):</b>		
ACCRUED SALARIES		11425
PAYROLL TAXES PAYABLE		5602
CLIENT RETAINER FEES		14500
<b>LINE 17(d) (STM 11):</b>		
ACCRUED SALARIES		10851
PAYROLL TAXES PAYABLE		5800
CLIENT RETAINER FEES		9850
<b>LINE 18(d):</b>	30000	
<b>LINE 19(b):</b>	1620514	
<b>LINE 19(d):</b>	1375664	

**FORM 1065, PAGE 4, SCHEDULE M-1:**

<b>LINE 1:</b>	67683
<b>LINE 3:</b>	700000
<b>LINE 4b:</b>	1005

**TEST #11 (Continued):**

**FORM 1065, PAGE 4, SCHEDULE M-1 (Continued):**

**LINE 4 (STM 12):**

FORM 5884 CREDIT 1927

**FORM 1065, PAGE 4, SCHEDULE M-2:**

LINE 1: 1207790

LINE 2: 100000

LINE 3: 67683

LINE 6a: 25000

**FORM 926, PART I:**

**NAME OF TRANSFEROR:** WINDY CITY HOUSING DEVELOPERS

**TRANSFEROR ADDRESS:** 11 ANY STREET  
ANYTOWN, IN 46623

**FORM 926, PART II:**

LINE 3: CASAS PUBLICAS DE REPUBLICA ARGENTINA

**FORM 926, PART III:**

LINE 5: 1126 AVENIDA SANTA FE, BUENOS AIRES, ARGENTINA

LINE 6: BUENOS AIRES, ARGENTINA

LINE 8: No

LINE 9: NOVEMBER 26, 2000

LINE11: CONSTRUCTION EQUIPMENT

LINE12: No

LINE13: No

LINE14a: No

**FORM 4562:**

**ACTIVITY TO WHICH THIS FORM RELATES:** FORM 1065, LINE 22

**FORM 4562, PART I:**

LINE 2: 35013

LINE 6(a): CONSTRUCTION EQUIPMENT

LINE 6(b): 35013

LINE 6(c): 18500

**FORM 4562, PART III:**

LINE 17: 62580

**TEST #11 (Continued):**

**FORM 4562, PART V, SECTION C:**

LINE 35 NO  
LINE 36 NO  
LINE 37 NO  
LINE 38 NO  
LINE 39 NO

**FORM 4562, PART VI:**

LINE 41: 11000

**FORM 4797:**

ENTRY ON LINE 4 FEEDS FROM FORM 6252, NO ORIGINAL ENTRIES NECESSARY

**FORM 5884, PART I:**

LINE 1a: 5300  
LINE 1b: 1505

**FORM 6252, PART I:**

LINE 1: CONSTRUCTION EQUIPMENT  
LINE 2a: 05/15/91  
LINE 2b: 06/20/00  
LINE 3: No  
LINE 5: 150000  
LINE 8: 56965  
LINE 9: 56965

**FORM 6252, PART II:**

LINE 21: 68575

**FORM 6781, PART I:**

LINE 1(a): MERRILL LYNCH COMMODITY ACCOUNT  
LINE 1(c): 2750

**FORM 8697:**

**FISCAL YEAR BEGINNING: JANUARY 1, 2000 AND ENDING  
DECEMBER 31, 2000**

LINE B: PARTNERSHIP

**TEST #11 (Continued):**

**FORM 8697 - PART I:**

**LINE (a):** mo.12...yr95  
**LINE 1(a):** 25140  
**LINE 2(a):** 15240  
**LINE 4(a):** 6057  
**LINE 5(a):** 387  
**LINE 7(a):** 567

**SCHEDULE K-1 (FORM 1065), #1:**

PARTNER'S IDENTIFYING NUMBER: 001-11-0001  
PARTNER'S NAME: ARA PARMESAN  
PARTNER'S ADDRESS: 567 W. ANY SHORE BLVD.  
ANYTOWN, IN 46624

**LINE A:** GENERAL PARTNER  
**LINE B:** INDIVIDUAL  
**LINE C:** DOMESTIC  
**LINE D(i):** PROFIT SHARING 50.00000%  
LOSS SHARING 50.00000%  
OWNERSHIP OF CAPITAL 50.00000%  
**LINE D(ii):** PROFIT SHARING 50.00000%  
LOSS SHARING 50.00000%  
OWNERSHIP OF CAPITAL 50.00000%  
**LINE E:** CINCINNATI, OH  
**LINE F:**  
NONRECOURSE 15000  
QUALIFIED NONRECOURSE FINANCING 811207  
OTHER 186677  
**LINE J(a):** 603957  
**LINE J(b):** 50000  
**LINE J(c):** 33841  
**LINE J(d):** 12500

**LINE 13 (STM 13):**  
FORM 5884 - WORK OPPORTUNITY CREDIT 964

**SCHEDULE K-1 (FORM 1065), #2:**

PARTNER'S IDENTIFYING NUMBER: 001-11-0002  
PARTNER'S NAME: ROCKY KNUTE  
PARTNER'S ADDRESS: 1224 SOUTH TWISTER DRIVE  
ANYTOWN, IN 46628

**LINE A:** GENERAL PARTNER  
**LINE B:** INDIVIDUAL

**TEST #11 (Continued):**

**SCHEDULE K-1 (FORM 1065), #2 (Continued):**

<b>LINE C:</b>	DOMESTIC	
<b>LINE D(i):</b>	PROFIT SHARING	50.00000%
	LOSS SHARING	50.00000%
	OWNERSHIP OF CAPITAL	50.00000%
<b>LINE D(ii):</b>	PROFIT SHARING	50.00000%
	LOSS SHARING	50.00000%
	OWNERSHIP OF CAPITAL	50.00000%
<b>LINE E:</b>	CINCINNATI, OH	
<b>LINE F:</b>		
	NONRECOURSE	15000
	QUALIFIED NONRECOURSE FINANCING	811207
	OTHER	186678
<b>LINE J(a):</b>	603833	
<b>LINE J(b):</b>	50000	
<b>LINE J(c):</b>	33842	
<b>LINE J(d):</b>	12500	
<b>LINE 13 (STM 14):</b>		
	FORM 5884 - WORK OPPORTUNITY CREDIT	963

# U.S. Return of Partnership Income

OMB No. 1545-0099

For calendar year 2000, or tax year beginning \_\_\_\_\_, 2000, and ending \_\_\_\_\_, 20\_\_\_\_  
▶ See separate instructions.

**2000**

<b>A</b> Principal business activity <b>CONSTRUCTION</b>	<b>Use the IRS label. Otherwise, please print or type.</b>	Name of partnership <b>WINDY CITY HOUSING DEVELOPERS</b>	<b>D</b> Employer identification number <b>52:000011</b>
<b>B</b> Principal product or service <b>HOUSING</b>		Number, street, and room or suite no. If a P.O. box, see page 12 of the instructions. <b>11 ANY STREET</b>	<b>E</b> Date business started <b>7/21/93</b>
<b>C</b> Business code number <b>233200</b>		City or town, state, and ZIP code <b>ANYTOWN, IN 46623</b>	<b>F</b> Total assets (see page 12 of the instructions) \$ <b>3,376,242</b>

**G** Check applicable boxes: (1)  Initial return (2)  Final return (3)  Change in address (4)  Amended return  
**H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_  
**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ \_\_\_\_\_ **2**

**Caution:** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

<b>Income</b>	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b>	<b>5,210,975</b>			
	<b>b</b> Less returns and allowances . . . . .	<b>1b</b>	<b>315,045</b>		<b>1c</b>	<b>4,895,930</b>
	<b>2</b> Cost of goods sold (Schedule A, line 8) . . . . .	<b>2</b>				<b>3,168,681</b>
	<b>3</b> Gross profit. Subtract line 2 from line 1c . . . . .	<b>3</b>				<b>1,727,249</b>
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule) . . . . .	<b>4</b>				
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .	<b>5</b>				
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 18. . . . .	<b>6</b>				
	<b>7</b> Other income (loss) (attach schedule) . . . . .	<b>7</b>				
<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .	<b>8</b>					<b>1,727,249</b>
<b>Deductions</b> (see page 14 of the instructions for limitations)	<b>9</b> Salaries and wages (other than to partners) (less employment credits) . . . . .	<b>9</b>				<b>76,338</b>
	<b>10</b> Guaranteed payments to partners . . . . .	<b>10</b>				<b>725,581</b>
	<b>11</b> Repairs and maintenance . . . . .	<b>11</b>				<b>57,850</b>
	<b>12</b> Bad debts . . . . .	<b>12</b>				<b>35,448</b>
	<b>13</b> Rent . . . . .	<b>13</b>				
	<b>14</b> Taxes and licenses . . . . .	<b>14</b>				<b>275,985</b>
	<b>15</b> Interest . . . . .	<b>15</b>				<b>145,867</b>
	<b>16a</b> Depreciation (if required, attach Form 4562) . . . . .	<b>16a</b>	<b>62,580</b>			
	<b>b</b> Less depreciation reported on Schedule A and elsewhere on return	<b>16b</b>			<b>16c</b>	<b>62,580</b>
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .	<b>17</b>				
	<b>18</b> Retirement plans, etc. . . . .	<b>18</b>				<b>25,785</b>
	<b>19</b> Employee benefit programs . . . . .	<b>19</b>				<b>69,854</b>
	<b>20</b> Other deductions (attach schedule) . . . . .	<b>20</b>				<b>205,509</b>
<b>21 Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20 . . . . .	<b>21</b>					<b>1,680,797</b>
<b>22 Ordinary income (loss)</b> from trade or business activities. Subtract line 21 from line 8 . . . . .	<b>22</b>					<b>46,452</b>

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

**Please Sign Here**

Signature of general partner or limited liability company member \_\_\_\_\_ Date \_\_\_\_\_

**Paid Preparer's Use Only**

Preparer's signature \_\_\_\_\_ Date \_\_\_\_\_ Check if self-employed  Preparer's SSN or PTIN **001-99-0001**

Firm's name (or yours if self-employed), address, and ZIP code **ELECTRONIC TAX FILERS, INC** EIN **52:000099**  
**100 TECO DRIVE RAIN TOWN, WA 98530** Phone no. ( ) \_\_\_\_\_

**Schedule A Cost of Goods Sold** (see page 17 of the instructions)

1	Inventory at beginning of year . . . . .	1	143,958
2	Purchases less cost of items withdrawn for personal use . . . . .	2	1,586,542
3	Cost of labor . . . . .	3	837,059
4	Additional section 263A costs (attach schedule) . . . . .	4	21,335
5	Other costs (attach schedule) . . . . .	5	738,481
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6	3,327,375
7	Inventory at end of year . . . . .	7	158,694
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8	3,168,681

- 9a Check all methods used for valuing closing inventory:
- (i)  Cost as described in Regulations section 1.471-3
  - (ii)  Lower of cost or market as described in Regulations section 1.471-4
  - (iii)  Other (specify method used and attach explanation) ▶
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c). . . . ▶
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . ▶
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? . .  Yes  No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information**

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input checked="" type="checkbox"/> Domestic general partnership		
b <input type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶		
2 Are any partners in this partnership also partnerships? . . . . .		X
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment . . . . .		X
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see <b>Designation of Tax Matters Partner</b> below . . . . .		X
5 Does this partnership meet <b>all three</b> of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000; <b>and</b>		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 . . . . .		X
6 Does this partnership have any foreign partners? . . . . .		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? . . . . .		X
8 Has this partnership filed, or is it required to file, <b>Form 8264</b> , Application for Registration of a Tax Shelter? . . . . .		X
9 At any time during calendar year 2000, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 18 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶		X
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 18 of the instructions . . . . .		X
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under <b>Elections Made By the Partnership</b> on page 7 of the instructions . . . . .		X
12 Enter the number of Forms 8865 attached to this return ▶		0

**Designation of Tax Matters Partner** (see page 18 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶	<b>ARA PARMESAN</b>	Identifying number of TMP ▶	<b>001-11-0001</b>
Address of designated TMP ▶	<b>567 W. ANY SHORE BLVD. ANYTOWN, IN 46624</b>		

**Schedule K Partners' Shares of Income, Credits, Deductions, etc.**

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 22)	1	46,452
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss): a Interest income	4a	4,158
	b	Ordinary dividends	4b	
	c	Royalty income	4c	
	d	Net short-term capital gain (loss) (attach Schedule D (Form 1065))	4d	
	e	Net long-term capital gain (loss) (attach Schedule D (Form 1065)):		
	(1)	28% rate gain (loss)	4e(1)	
	(2)	Total for year	4e(2)	
	f	Other portfolio income (loss) (attach schedule)	4f	
5	Guaranteed payments to partners	5	725,581	
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6	68,575	
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	30,070
	9	Section 179 expense deduction (attach Form 4562)	9	18,500
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule) <b>MEDICAL INSURANCE FOR PARTNERS</b>	11	25,581
Credits	12a	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12a(1)	
	(2)	Other than on line 12a(1) for property placed in service before 1990	12a(2)	
	(3)	From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12a(3)	
	(4)	Other than on line 12a(3) for property placed in service after 1989	12a(4)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
d	Credits related to other rental activities	12d		
13	Other credits <b>FORM 5884- WORK OPPORTUNITY CREDIT</b>	13	1,927	
Investment Interest	14a	Interest expense on investment debts	14a	
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	4,158
	(2)	Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	772,033
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	1,727,249
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d (1)	Gross income from oil, gas, and geothermal properties	16d(1)	
	(2)	Deductions allocable to oil, gas, and geothermal properties	16d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession		
	b	Total gross income sourced at partner level	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
	(1)	U.S. source and listed categories	17c(1)	
	(2)	Passive	17c(2)	
	(3)	General limitation	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
	(1)	Interest expense	17d(1)	
(2)	Other	17d(2)		
e	Deductions allocated and apportioned at partnership level (attach schedule):			
(1)	U.S. source and listed categories	17e(1)		
(2)	Passive	17e(2)		
(3)	General limitation	17e(3)		
f	Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17f		
g	Reduction in taxes available for credit (attach schedule)	17g		
Other	18	Section 59(e)(2) expenditures: a Type b Amount	18b	
	19	Tax-exempt interest income	19	
	20	Other tax-exempt income	20	
	21	Nondeductible expenses	21	2,932
	22	Distributions of money (cash and marketable securities)	22	25,000
	23	Distributions of property other than money	23	
	24	Other items and amounts required to be reported separately to partners (attach schedule)		

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17f, and 18b . . . . .						<b>1</b>	<b>770,615</b>
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners		<b>770,615</b>					
b Limited partners							

**Schedule L Balance Sheets per Books** (Not required if Question 5 on Schedule B is answered "Yes.")

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash . . . . .		<b>230,837</b>		<b>200,733</b>
2a Trade notes and accounts receivable . . . . .	<b>354,058</b>		<b>350,752</b>	
b Less allowance for bad debts . . . . .	<b>10,567</b>	<b>343,491</b>	<b>10,980</b>	<b>339,772</b>
3 Inventories . . . . .		<b>143,958</b>		<b>158,694</b>
4 U.S. government obligations . . . . .				
5 Tax-exempt securities . . . . .		<b>46,000</b>		<b>36,500</b>
6 Other current assets (attach schedule) . . . . .		<b>15,171</b>		<b>15,160</b>
7 Mortgage and real estate loans . . . . .		<b>423,505</b>		<b>446,850</b>
8 Other investments (attach schedule) . . . . .				
9a Buildings and other depreciable assets . . . . .	<b>1,525,657</b>		<b>1,560,670</b>	
b Less accumulated depreciation . . . . .	<b>425,075</b>	<b>1,100,582</b>	<b>506,155</b>	<b>1,054,515</b>
10a Depletable assets . . . . .				
b Less accumulated depletion . . . . .				
11 Land (net of any amortization) . . . . .		<b>225,000</b>		<b>225,000</b>
12a Intangible assets (amortizable only). . . . .	<b>275,000</b>		<b>275,000</b>	
b Less accumulated amortization . . . . .	<b>45,065</b>	<b>229,935</b>	<b>56,065</b>	<b>218,935</b>
13 Other assets (attach schedule) . . . . .		<b>661,250</b>		<b>680,083</b>
14 <b>Total assets</b> . . . . .		<b>3,419,729</b>		<b>3,376,242</b>
<b>Liabilities and Capital</b>				
15 Accounts payable . . . . .		<b>315,048</b>		<b>346,854</b>
16 Mortgages, notes, bonds payable in less than 1 year . . . . .		<b>244,850</b>		<b>246,750</b>
17 Other current liabilities (attach schedule) . . . . .		<b>31,527</b>		<b>26,501</b>
18 All nonrecourse loans . . . . .				<b>30,000</b>
19 Mortgages, notes, bonds payable in 1 year or more . . . . .		<b>1,620,514</b>		<b>1,375,664</b>
20 Other liabilities (attach schedule) . . . . .				
21 Partners' capital accounts . . . . .		<b>1,207,790</b>		<b>1,350,473</b>
22 <b>Total liabilities and capital</b> . . . . .		<b>3,419,729</b>		<b>3,376,242</b>

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return** (Not required if Question 5 on Schedule B is answered "Yes." See page 29 of the instructions.)

1 Net income (loss) per books . . . . .	<b>67,683</b>	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): . . . . .		a Tax-exempt interest \$ . . . . .	
3 Guaranteed payments (other than health insurance) . . . . .	<b>700,000</b>	7 Deductions included on Schedule K, lines 1 through 11, 14a, 17f, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17f, and 18b (itemize):		a Depreciation \$ . . . . .	
a Depreciation \$ . . . . .		8 Add lines 6 and 7 . . . . .	
b Travel and entertainment \$ <b>1,005</b> . . . . .		9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 . . . . .	<b>770,615</b>
<b>FORM 5884 CREDIT</b> <b>1,927</b> . . . . .	<b>2,932</b>		
5 Add lines 1 through 4 . . . . .	<b>770,615</b>		

**Schedule M-2 Analysis of Partners' Capital Accounts** (Not required if Question 5 on Schedule B is answered "Yes.")

1 Balance at beginning of year . . . . .	<b>1,207,790</b>	6 Distributions: a Cash . . . . .	<b>25,000</b>	<b>25,000</b>
2 Capital contributed during year . . . . .	<b>100,000</b>	b Property . . . . .		
3 Net income (loss) per books . . . . .	<b>67,683</b>	7 Other decreases (itemize): . . . . .		
4 Other increases (itemize): . . . . .		8 Add lines 6 and 7 . . . . .		<b>25,000</b>
5 Add lines 1 through 4 . . . . .	<b>1,375,473</b>	9 Balance at end of year. Subtract line 8 from line 5 . . . . .		<b>1,350,473</b>



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-11-0001

**Partnership's identifying number** ▶ 52:0000011

Partner's name, address, and ZIP code # 1

Partnership's name, address, and ZIP code

ARA PARMESAN  
567 ANY SHORE BLVD.  
ANYTOWN, IN 46624

WINDY CITY HOUSING DEVELOPERS  
11 ANY STREET  
ANYTOWN, IN 46623

**A** This partner is a  general partner  limited partner  
 limited liability company member

**F** Partner's share of liabilities (see instructions):  
Nonrecourse . . . . . \$ 15,000  
Qualified nonrecourse financing . . . . . \$ 811,207  
Other . . . . . \$ 186,677

**B** What type of entity is this partner? ▶ INDIVIDUAL

**C** Is this partner a  domestic or a  foreign partner?

**D** Enter partner's percentage of: (i) Before change or termination (ii) End of year

Profit sharing . . . . . 50.0000% 50.0000%

Loss sharing . . . . . 50.0000% 50.0000%

Ownership of capital . . . . . 50.0000% 50.0000%

**G** Tax shelter registration number . . . . .

**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .

**E** IRS Center where partnership filed return: CINCINNATI

**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
603,957	50,000	33,842	( 12,500 )	675,299

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Income (Loss)	1 Ordinary income (loss) from trade or business activities . . . . .	1 23,226	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2	
	3 Net income (loss) from other rental activities . . . . .	3	
	4 Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f)
	a Interest . . . . .	4a 2,079	
	b Ordinary dividends . . . . .	4b	
	c Royalties . . . . .	4c	
	d Net short-term capital gain (loss) . . . . .	4d	
	e Net long-term capital gain (loss):		
	(1) 28% rate gain (loss) . . . . .	e(1)	Sch. D, line 12, col. (g)
	(2) Total for year. . . . .	e(2)	Sch. D, line 12, col. (f)
f Other portfolio income (loss) (attach schedule) . . . . .	4f	Enter on applicable line of your return.	
5 Guaranteed payments to partner . . . . .	5 362,791	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6 34,288		
7 Other income (loss) (attach schedule) . . . . .	7	Enter on applicable line of your return.	
Deductions	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8 15,035	} Sch. A, line 15 or 16
	9 Section 179 expense deduction . . . . .	9 9,250	
	10 Deductions related to portfolio income (attach schedule) . . . . .	10	} See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	11 Other deductions (attach schedule). . . . .	11 12,791	
Credits	12a Low-income housing credit:		} Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
	d Credits related to other rental activities . . . . .	12d	
13 Other credits . . . . .	13 964		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	<b>14a</b>	Interest expense on investment debts . . . . .	<b>14a</b>	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>b (1)</b>	Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	<b>b(1)</b> 2,079	
	<b>b(2)</b>	Investment expenses included on line 10 . . . . .	<b>b(2)</b>	
Self-employment	<b>15a</b>	Net earnings (loss) from self-employment . . . . .	<b>15a</b> 386,017	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>b</b>	Gross farming or fishing income . . . . .	<b>15b</b>	
	<b>c</b>	Gross nonfarm income . . . . .	<b>15c</b> 863,625	
Adjustments and Tax Preference Items	<b>16a</b>	Depreciation adjustment on property placed in service after 1986 . . . . .	<b>16a</b>	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	<b>b</b>	Adjusted gain or loss . . . . .	<b>16b</b>	
	<b>c</b>	Depletion (other than oil and gas) . . . . .	<b>16c</b>	
	<b>d (1)</b>	Gross income from oil, gas, and geothermal properties . . . . .	<b>d(1)</b>	
	<b>d (2)</b>	Deductions allocable to oil, gas, and geothermal properties . . . . .	<b>d(2)</b>	
<b>e</b>	Other adjustments and tax preference items (attach schedule)	<b>16e</b>		
Foreign Taxes	<b>17a</b>	Name of foreign country or U.S. possession ▶ . . . . .	<b>17a</b>	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.
	<b>b</b>	Total gross income sourced at partner level . . . . .	<b>17b</b>	
	<b>c</b>	Total gross income sourced at partnership level (attach schedule):		
	<b>(1)</b>	U.S. source and listed categories . . . . .	<b>17c(1)</b>	
	<b>(2)</b>	Passive . . . . .	<b>17c(2)</b>	
	<b>(3)</b>	General limitation . . . . .	<b>17c(3)</b>	
	<b>d</b>	Deductions allocated and apportioned at partner level:		
	<b>(1)</b>	Interest expense . . . . .	<b>17d(1)</b>	
	<b>(2)</b>	Other . . . . .	<b>17d(2)</b>	
	<b>e</b>	Deductions allocated and apportioned at partnership level (attach schedule):		
<b>(1)</b>	U.S. source and listed categories . . . . .	<b>17e(1)</b>		
<b>(2)</b>	Passive . . . . .	<b>17e(2)</b>		
<b>(3)</b>	General limitation . . . . .	<b>17e(3)</b>		
<b>f</b>	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	<b>17f</b>		
<b>g</b>	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	<b>18</b>	Section 59(e)(2) expenditures: <b>a</b> Type ▶ . . . . .	<b>18a</b>	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065). Form 1040, line 8b } See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).  } Form 8611, line 8
	<b>b</b>	Amount . . . . .	<b>18b</b>	
	<b>19</b>	Tax-exempt interest income . . . . .	<b>19</b>	
	<b>20</b>	Other tax-exempt income . . . . .	<b>20</b>	
	<b>21</b>	Nondeductible expenses . . . . .	<b>21</b> 1,466	
	<b>22</b>	Distributions of money (cash and marketable securities) . . . . .	<b>22</b> 12,500	
	<b>23</b>	Distributions of property other than money . . . . .	<b>23</b>	
<b>24</b>	Recapture of low-income housing credit:			
	<b>a</b> From section 42(j)(5) partnerships . . . . .	<b>24a</b>		
<b>b</b>	Other than on line 24a . . . . .	<b>24b</b>		
Supplemental Information	<b>25</b>	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
		<b>LINE 8 - CHARITABLE CONTRIBUTIONS</b>		
		UNITED WAY OF MICHIANA 7,625		
		ST. STANISLAUS CHURCH 1,771		
		UNIVERSITY OF NOTRE DAME 2,707		
		ST. MARY'S COLLEGE 2,931		
		ROUNDING 1		
		TOTAL 15,035		
		<b>LINE 11- OTHER DEDUCTIONS</b>		
		MEDICAL INSURANCE PAYMENTS FOR PARTNERS 12,791		
		TOTAL 12,791		
		<b>LINE 13- OTHER CREDITS</b>		
	FORM 5884- WORK OPPORTUNITY CREDIT 964			
	TOTAL 964			



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-11-0002

**Partnership's identifying number** ▶ 52:000011

Partner's name, address, and ZIP code # 2

Partnership's name, address, and ZIP code

**ROCKY KNUTE**  
1224 SOUTH TWISTER DRIVE  
ANYTOWN, IN 46628

**WINDY CITY HOUSING DEVELOPERS**  
11 ANY STREET  
ANYTOWN, IN 46623

**A** This partner is a  general partner  limited partner  
 limited liability company member

**F** Partner's share of liabilities (see instructions):  
Nonrecourse . . . . . \$ 15,000  
Qualified nonrecourse financing . . . . . \$ 811,207  
Other . . . . . \$ 186,678

**B** What type of entity is this partner? ▶ **INDIVIDUAL**

**C** Is this partner a  domestic or a  foreign partner?

**D** Enter partner's percentage of:  
Profit sharing . . . . . 50.0000 % 50.0000 %  
Loss sharing . . . . . 50.0000 % 50.0000 %  
Ownership of capital . . . . . 50.0000 % 50.0000 %

**G** Tax shelter registration number . . . . .

**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .

**E** IRS Center where partnership filed return: **CINCINNATI**

**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
603,833	50,000	33,841	( 12,500 )	675,174

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Income (Loss)	1 Ordinary income (loss) from trade or business activities . . . . .	1 23,226	See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2	
	3 Net income (loss) from other rental activities . . . . .	3	
	4 Portfolio income (loss):		Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f)
	a Interest . . . . .	4a 2,079	
	b Ordinary dividends . . . . .	4b	
	c Royalties . . . . .	4c	
	d Net short-term capital gain (loss) . . . . .	4d	
	e Net long-term capital gain (loss):		
	(1) 28% rate gain (loss) . . . . .	e(1)	Sch. D, line 12, col. (g)
	(2) Total for year. . . . .	e(2)	Sch. D, line 12, col. (f)
f Other portfolio income (loss) (attach schedule) . . . . .	4f	Enter on applicable line of your return.	
5 Guaranteed payments to partner . . . . .	5 362,790	See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6 34,287		
7 Other income (loss) (attach schedule) . . . . .	7	Enter on applicable line of your return.	
Deductions	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8 15,035	Sch. A, line 15 or 16
	9 Section 179 expense deduction . . . . .	9 9,250	
	10 Deductions related to portfolio income (attach schedule) . . . . .	10	See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	11 Other deductions (attach schedule) . . . . .	11 12,790	
Credits	12a Low-income housing credit:		Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b	See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
	d Credits related to other rental activities . . . . .	12d	
13 Other credits . . . . .	13 963		

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a Interest expense on investment debts . . . . .	14a	Form 4952, line 1 See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b (1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1) 2,079	
	(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a Net earnings (loss) from self-employment . . . . .	15a 386,016	Sch. SE, Section A or B See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b Gross farming or fishing income . . . . .	15b	
	c Gross nonfarm income . . . . .	15c 863,624	
Adjustments and Tax Preference Items	16a Depreciation adjustment on property placed in service after 1986 . . . . .	16a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b Adjusted gain or loss . . . . .	16b	
	c Depletion (other than oil and gas) . . . . .	16c	
	d (1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
e Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a Name of foreign country or U.S. possession ▶ . . . . .	17a	Form 1116, Part I  Form 1116, Part II  Form 1116, Part III and Instructions for Form 1116.
	b Total gross income sourced at partner level . . . . .	17b	
	c Total gross income sourced at partnership level (attach schedule):		
	(1) U.S. source and listed categories . . . . .	17c(1)	
	(2) Passive . . . . .	17c(2)	
	(3) General limitation . . . . .	17c(3)	
	d Deductions allocated and apportioned at partner level:		
	(1) Interest expense . . . . .	17d(1)	
	(2) Other . . . . .	17d(2)	
	e Deductions allocated and apportioned at partnership level (attach schedule):		
	(1) U.S. source and listed categories . . . . .	17e(1)	
(2) Passive . . . . .	17e(2)		
(3) General limitation . . . . .	17e(3)		
f Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	18 Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065). Form 1040, line 8b See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).  Form 8611, line 8
	b Amount . . . . .	18b	
	19 Tax-exempt interest income . . . . .	19	
	20 Other tax-exempt income . . . . .	20	
	21 Nondeductible expenses . . . . .	21 1,466	
	22 Distributions of money (cash and marketable securities) . . . . .	22 12,500	
	23 Distributions of property other than money . . . . .	23	
24 Recapture of low-income housing credit:			
a From section 42(j)(5) partnerships . . . . .	24a		
b Other than on line 24a . . . . .	24b		
Supplemental Information	25 Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
	LINE 8 - CHARITABLE CONTRIBUTIONS		
	UNITED WAY OF MICHIANA	7,625	
	ST. STANISLAUS CHURCH	1,771	
	UNIVERSITY OF NOTRE DAME	2,708	
	ST. MARY'S COLLEGE	2,931	
	TOTAL	15,035	
	LINE 11-OTHER DEDUCTIONS		
	MEDICAL INSURANCE PAYMENTS FOR PARTNERS	12,790	
	TOTAL	12,790	
LINE 13 - OTHER CREDITS			
FORM 5884- WORK OPPORTUNITY CREDIT	963		
TOTAL	963		



**TEST #12**

**FORMS REQUIRED: 1065, 4562, 2 K-1s (1065)**

**FORM 1065, PAGE1: IDENTIFYING INFORMATION:**

**NAME OF PARTNERSHIP:**

MAIL ORDER SOUVENIRS JOINT VENTURE  
12 ANY STREET  
ANYTOWN, IL 60615

**NAME OF PREPARER:**

ELECTRONIC TAX FILERS, INC.  
100 TECHO DRIVE  
RAINTOWN, WA 98530  
EIN: 52-0000099  
PREPARER SNN: 001-99-0001

**FORM 1065, PAGE 1:**

**LINE A:** CATALOGUE SALES  
**LINE B:** SOUVENIRS  
**LINE C:** 453220  
**LINE D:** 52-0000012  
**LINE E:** 09/06/96  
**LINE H(2):** X  
**LINE 1a:** 1515384  
**LINE 1b:** 64757  
**LINE 9:** 238849  
**LINE 11:** 57850  
**LINE 12:** 35448  
**LINE 13:** 24858  
**LINE 14:** 19508  
**LINE 15:** 28621  
**LINE 18:** 25785  
**LINE 19:** 69854

**LINE 20 (STM 01):**

AMORTIZATION (FROM FORM 4562, LINE 42)	3000
CONTRACTING FEES - CHICAGO BRUINS	72000
LEGAL AND ACCOUNTING	12000
MEALS AND ENTERTAINMENT (AT 100%)	2550
OFFICE EXPENSE	40000

**TEST #12 (Continued):**

**FORM 1065, PAGE 1 (Continued):**

**LINE 20 (STM 01) (Continued):**

REPAIRS AND MAINTENANCE 24000

**FORM 1065, PAGE 2, SCHEDULE A:**

LINE 1: 96446

LINE 2: 640852

LINE 3: 41250

**LINE 5 - OTHER COSTS (STM 02):**

AUTO AND TRAVEL EXPENSE 7052

MAILING LISTS 3850

LINE 7: 113205

LINE 9a(i): X

LINE 9(d): NO

LINE 9(e): NO

**FORM 1065, PAGE 2, SCHEDULE B:**

LINE 1a: X

LINE 2: NO

LINE 3: NO

LINE 4: NO

LINE 5: NO

LINE 6: NO

LINE 7: NO

LINE 8: NO

LINE 9: NO

LINE 10: NO

LINE 11: NO

LINE 12: 0

**FORM 1065, PAGE 2 (DESIGNATION OF TAX MATTERS PARTNER):**

NAME OF DESIGNATED TMP: ERNESTO SHORTSTOP

IDENTIFYING NUMBER OF TMP: 001-12-0001

ADDRESS OF DESIGNATED TMP: 2254 ANY BAY ROAD  
ANY FOREST, IL 61044

**FORM 1065, PAGE 3, SCHEDULE K:**

LINE 4a: 2508

LINE 4b: 440

**TEST #12 (Continued):**

**FORM 1065, PAGE 3, SCHEDULE K (Continued):**

**LINE 8 (STM 03):**

CHICAGO BRUINS BENEVOLENT FUND	1856
CHICAGO PARKS AUTHORITY	2570
MAJOR LEAGUE BASEBALL CHARITIES	5585
ARCHDIOCESE OF CHICAGO	1000

**FORM 1065, PAGE 4, SCHEDULE L:**

**LINE 1(b):** 142578

**LINE 1(d):** 147622

**LINE 4(b):** 69419

**LINE 4(d):** 73110

**LINE 5(b):** 22500

**LINE 5(d):** 22500

**LINE 6(b) (STM 04):**

PREPAID INSURANCE	2085
DUE FROM RELATED PARTIES	2000
ACCRUED INTEREST RECEIVABLE	756

**LINE 6(d) (STM 05):**

PREPAID INSURANCE	4185
DUE FROM RELATED PARTIES	1500
ACCRUED INTEREST RECEIVABLE	450

**LINE 8(b) (STM 06):**

CORPORATE STOCKS AND BONDS	437255
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**LINE 8(d) (STM 07):**

CORPORATE STOCKS AND BONDS	462706
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**LINE 9a(a):** 62974

**LINE 9a(c):** 65344

**LINE 9b(a):** 12850

**LINE 9b(c):** 19396

**LINE 12a(a):** 75000

**LINE 12a(c):** 75000

**LINE 12b(a):** 15085

**LINE 12b(c):** 18085

**LINE 13(b) (STM 08):**

COVENANTS NOT TO COMPETE	54000
TRADEMARKS	18568

**TEST #12 (Continued):**

**FORM 1065, PAGE 4, SCHEDULE L (Continued):**

**LINE 13(d) (STM 09):**

COVENANTS NOT TO COMPETE	54000
TRADEMARKS	18568

**LINE 15(b):** 12485

**LINE 15(d):** 15684

**LINE 17(b) (STM 10):**

ACCRUED SALARIES	4850
PAYROLL TAXES PAYABLE	2586

**LINE 17(d) (STM 11):**

ACCRUED SALARIES	5085
PAYROLL TAXES PAYABLE	3085

**LINE 20(b) (STM 12):**

BANK LINE OF CREDIT	410733
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**LINE 20(d) (STM 13):**

BANK LINE OF CREDIT	378413
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**FORM 1065, PAGE 4 SCHEDULE M-1:**

**LINE 1:** 105450

**LINE 4(b):** 1275

**FORM 1065, PAGE 4 SCHEDULE M-2:**

**LINE 1:** 524992

**LINE 3:** 105450

**LINE 6a:** 32000

**FORM 4562:**

**ACTIVITY TO WHICH THIS FORM RELATES: FORM 1065, PAGE 1, LINE 22**

**FORM 4562, PART I:**

**LINE 2:** 2370

**LINE 6(a):** FURNITURE

**LINE 6(b):** 2370

**LINE 6(c):** 2370

**FORM 4562, PART III:**

**LINE 17:** 4176

**TEST #12 (Continued):**

**FORM 4562, PART V, SECTION C:**

**LINE 35** NO  
**LINE 36** NO  
**LINE 37** NO  
**LINE 38** NO  
**LINE 39** NO

**FORM 4562, PART VI:**

**LINE 41:** 3000

**SCHEDULE K-1 (FORM 1065) #1:**

PARTNER'S IDENTIFYING NUMBER: 001-12-0001  
PARTNER'S NAME: ERNESTO SHORTSTOP  
PARTNER'S ADDRESS: 2254 ANY BAY ROAD  
ANY FOREST, IL 61044

**LINE A:** GENERAL PARTNER  
**LINE B:** INDIVIDUAL  
**LINE C:** DOMESTIC  
**LINE D(i):** PROFIT SHARING 75.00000%  
LOSS SHARING 75.00000%  
OWNERSHIP OF CAPITAL 75.00000%  
**LINE D(ii):** PROFIT SHARING 75.00000%  
LOSS SHARING 75.00000%  
OWNERSHIP OF CAPITAL 75.00000%  
**LINE E:** KANSAS CITY  
**LINE F:** Nonrecourse 283810  
Other 17890  
**LINE J(a):** 392022  
**LINE J(b):** 0  
**LINE J(c):** 79087  
**LINE J(d):** 24000

**SCHEDULE K-1 (FORM 1065) #2:**

PARTNER'S IDENTIFYING NUMBER: 001-12-0002  
PARTNER'S NAME: HANGING CURVEBALL  
PARTNER'S ADDRESS: 1253 THERE-SHE-GOES AVENUE  
ANYTOWN, IL 60622

**TEST #12 (Continued):**

**SCHEDULE K-1 (FORM 1065) #2 (Continued):**

<b>LINE A:</b>	GENERAL PARTNER	
<b>LINE B:</b>	INDIVIDUAL	
<b>LINE C:</b>	DOMESTIC	
<b>LINE D(i):</b>	PROFIT SHARING	25.00000%
	LOSS SHARING	25.00000%
	OWNERSHIP OF CAPITAL	25.00000%
<b>LINE D(ii):</b>	PROFIT SHARING	25.00000%
	LOSS SHARING	25.00000%
	OWNERSHIP OF CAPITAL	25.00000%
<b>LINE E:</b>	KANSAS CITY	
<b>LINE F:</b>	Nonrecourse	94603
	Other	1292
<b>LINE J(a):</b>	132970	
<b>LINE J(b):</b>	0	
<b>LINE J(c):</b>	26363	
<b>LINE J(d):</b>	8000	

# U.S. Return of Partnership Income

OMB No. 1545-0099

For calendar year 2000, or tax year beginning \_\_\_\_\_, 2000, and ending \_\_\_\_\_, 20\_\_\_\_  
▶ See separate instructions.

**2000**

<b>A</b> Principal business activity <b>CATALOGUE SALES</b>	<b>Use the IRS label. Other- wise, please print or type.</b>	Name of partnership <b>MAIL ORDER SOUVENIRS JOINT VENTURE</b>	<b>D</b> Employer identification number <b>52:000012</b>
<b>B</b> Principal product or service <b>SOUVENIRS</b>		Number, street, and room or suite no. If a P.O. box, see page 12 of the instructions. <b>12 ANY STREET</b>	<b>E</b> Date business started <b>9/06/96</b>
<b>C</b> Business code number <b>453220</b>		City or town, state, and ZIP code <b>ANYTOWN, IL 60615</b>	<b>F</b> Total assets (see page 12 of the instructions) \$ <b>1,000,709</b>

**G** Check applicable boxes: (1)  Initial return (2)  Final return (3)  Change in address (4)  Amended return

**H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_

**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ \_\_\_\_\_ **2**

**Caution:** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

<b>Income</b>	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b>	<b>1,515,384</b>				
	<b>b</b> Less returns and allowances. . . . .	<b>1b</b>	<b>64,757</b>	<b>1c</b>	<b>1,450,627</b>		
	<b>2</b> Cost of goods sold (Schedule A, line 8) . . . . .	<b>2</b>	<b>676,245</b>				
	<b>3</b> Gross profit. Subtract line 2 from line 1c. . . . .	<b>3</b>	<b>774,382</b>				
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule). . . . .	<b>4</b>					
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .	<b>5</b>					
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 18. . . . .	<b>6</b>					
	<b>7</b> Other income (loss) (attach schedule). . . . .	<b>7</b>					
<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .	<b>8</b>		<b>774,382</b>				
<b>Deductions</b> <small>(see page 14 of the instructions for limitations)</small>	<b>9</b> Salaries and wages (other than to partners) (less employment credits). . . . .	<b>9</b>	<b>238,849</b>				
	<b>10</b> Guaranteed payments to partners . . . . .	<b>10</b>					
	<b>11</b> Repairs and maintenance . . . . .	<b>11</b>	<b>57,850</b>				
	<b>12</b> Bad debts . . . . .	<b>12</b>	<b>35,448</b>				
	<b>13</b> Rent . . . . .	<b>13</b>	<b>24,858</b>				
	<b>14</b> Taxes and licenses . . . . .	<b>14</b>	<b>19,508</b>				
	<b>15</b> Interest . . . . .	<b>15</b>	<b>28,621</b>				
	<b>16a</b> Depreciation (if required, attach Form 4562) . . . . .	<b>16a</b>	<b>4,176</b>	<b>16c</b>	<b>4,176</b>		
	<b>b</b> Less depreciation reported on Schedule A and elsewhere on return . . . . .	<b>16b</b>					
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .	<b>17</b>					
	<b>18</b> Retirement plans, etc. . . . .	<b>18</b>	<b>25,785</b>				
	<b>19</b> Employee benefit programs . . . . .	<b>19</b>	<b>69,854</b>				
	<b>20</b> Other deductions (attach schedule) . . . . .	<b>20</b>	<b>152,275</b>				
<b>21 Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20 . . . . .	<b>21</b>		<b>657,224</b>				
<b>22 Ordinary income (loss)</b> from trade or business activities. Subtract line 21 from line 8 . . . . .	<b>22</b>		<b>117,158</b>				

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

**Please Sign Here**

▶ Signature of general partner or limited liability company member \_\_\_\_\_ Date \_\_\_\_\_

**Paid Preparer's Use Only**

Preparer's signature ▶ \_\_\_\_\_ Date \_\_\_\_\_ Check if self-employed  Preparer's SSN or PTIN **001-99-0001**

Firm's name (or yours if self-employed), address, and ZIP code ▶ **ELECTRONIC TAX FILERS, INC.** EIN ▶ **52:000099**

**100 TECO DRIVE RAIN TOWN, WA 98530** Phone no. ( ) \_\_\_\_\_

**Schedule A Cost of Goods Sold** (see page 17 of the instructions)

1	Inventory at beginning of year . . . . .	1	96,446	
2	Purchases less cost of items withdrawn for personal use . . . . .	2	640,852	
3	Cost of labor . . . . .	3	41,250	
4	Additional section 263A costs (attach schedule) . . . . .	4		
5	Other costs (attach schedule) . . . . .	5	10,902	
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6	789,450	
7	Inventory at end of year . . . . .	7	113,205	
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8	676,245	

- 9a Check all methods used for valuing closing inventory:
- (i)  Cost as described in Regulations section 1.471-3
  - (ii)  Lower of cost or market as described in Regulations section 1.471-4
  - (iii)  Other (specify method used and attach explanation) ▶ .....
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c). . . . ▶
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . ▶
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? . .  Yes  No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information**

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input checked="" type="checkbox"/> Domestic general partnership		
b <input type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶ .....		
2 Are any partners in this partnership also partnerships? . . . . .		X
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment . . . . .		X
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see <b>Designation of Tax Matters Partner</b> below . . . . .		X
5 Does this partnership meet <b>all three</b> of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000; <b>and</b>		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 . . . . .		X
6 Does this partnership have any foreign partners? . . . . .		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? . . . . .		X
8 Has this partnership filed, or is it required to file, <b>Form 8264</b> , Application for Registration of a Tax Shelter? . . . . .		X
9 At any time during calendar year 2000, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 18 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶ .....		X
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 18 of the instructions . . . . .		X
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under <b>Elections Made By the Partnership</b> on page 7 of the instructions . . . . .		X
12 Enter the number of Forms 8865 attached to this return ▶ .....		0

**Designation of Tax Matters Partner** (see page 18 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶ **ERNESTO SHORTSTOP**

Identifying number of TMP ▶ **001-12-0001**

Address of designated TMP ▶ **2254 ANY BAY ROAD  
ANY FOREST, IL 61044**

**Schedule K** Partners' Shares of Income, Credits, Deductions, etc.

		(a) Distributive share items	(b) Total amount		
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 22)	1	117,158	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2		
	3a	Gross income from other rental activities	3a		
		3b	Expenses from other rental activities (attach schedule)	3b	
	3c		Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss): a Interest income	4a	2,508	
		b Ordinary dividends	4b	440	
		c Royalty income	4c		
		d Net short-term capital gain (loss) (attach Schedule D (Form 1065))	4d		
		e	Net long-term capital gain (loss) (attach Schedule D (Form 1065)):		
			(1) 28% rate gain (loss) (2) Total for year	4e(2)	
	f	Other portfolio income (loss) (attach schedule)	4f		
	5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6			
7	Other income (loss) (attach schedule)	7			
Deductions	8	Charitable contributions (attach schedule)	8	11,011	
	9	Section 179 expense deduction (attach Form 4562)	9	2,370	
	10	Deductions related to portfolio income (itemize)	10		
	11	Other deductions (attach schedule)	11		
Credits	12a	Low-income housing credit:			
	(1)	From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12a(1)		
	(2)	Other than on line 12a(1) for property placed in service before 1990	12a(2)		
	(3)	From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12a(3)		
	(4)	Other than on line 12a(3) for property placed in service after 1989	12a(4)		
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b		
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c		
d	Credits related to other rental activities	12d			
13	Other credits	13			
Investment Interest	14a	Interest expense on investment debts	14a		
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	2,948	
		(2) Investment expenses included on line 10 above	14b(2)		
Self-Employment	15a	Net earnings (loss) from self-employment	15a	117,158	
	b	Gross farming or fishing income	15b		
	c	Gross nonfarm income	15c	774,382	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a		
	b	Adjusted gain or loss	16b		
	c	Depletion (other than oil and gas)	16c		
	d	(1) Gross income from oil, gas, and geothermal properties	16d(1)		
		(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)		
	e	Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a	Name of foreign country or U.S. possession			
	b	Total gross income sourced at partner level	17b		
	c	Total gross income sourced at partnership level (attach schedule):			
		(1) U.S. source and listed categories (2) Passive (3) General limitation	17c(3)		
		d	Deductions allocated and apportioned at partner level:		
	(1)	Interest expense (2) Other	17d(2)		
	e	Deductions allocated and apportioned at partnership level (attach schedule):			
		(1) U.S. source and listed categories (2) Passive (3) General limitation	17e(3)		
f	Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17f			
g	Reduction in taxes available for credit (attach schedule)	17g			
Other	18	Section 59(e)(2) expenditures: a Type b Amount	18b		
	19	Tax-exempt interest income	19		
	20	Other tax-exempt income	20		
	21	Nondeductible expenses	21	1,275	
	22	Distributions of money (cash and marketable securities)	22	32,000	
	23	Distributions of property other than money	23		
	24	Other items and amounts required to be reported separately to partners (attach schedule)			

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17f, and 18b . . . . .						1	106,725
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners		106,725					
b Limited partners							

**Schedule L Balance Sheets per Books** (Not required if Question 5 on Schedule B is answered "Yes.")

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash . . . . .		142,578		147,622
2a Trade notes and accounts receivable . . . . .				
b Less allowance for bad debts . . . . .				
3 Inventories . . . . .		96,446		113,205
4 U.S. government obligations . . . . .		69,419		73,110
5 Tax-exempt securities . . . . .		22,500		22,500
6 Other current assets (attach schedule) . . . . .		4,841		6,135
7 Mortgage and real estate loans . . . . .				
8 Other investments (attach schedule) . . . . .		437,255		462,706
9a Buildings and other depreciable assets . . . . .	62,974		65,344	
b Less accumulated depreciation . . . . .	12,850	50,124	19,396	45,948
10a Depletable assets . . . . .				
b Less accumulated depletion . . . . .				
11 Land (net of any amortization) . . . . .				
12a Intangible assets (amortizable only). . . . .	75,000		75,000	
b Less accumulated amortization . . . . .	15,085	59,915	18,085	56,915
13 Other assets (attach schedule) . . . . .		72,568		72,568
14 <b>Total assets</b> . . . . .		955,646		1,000,709
<b>Liabilities and Capital</b>				
15 Accounts payable . . . . .		12,485		15,684
16 Mortgages, notes, bonds payable in less than 1 year . . . . .				
17 Other current liabilities (attach schedule) . . . . .		7,436		8,170
18 All nonrecourse loans . . . . .				
19 Mortgages, notes, bonds payable in 1 year or more . . . . .				
20 Other liabilities (attach schedule) . . . . .		410,733		378,413
21 Partners' capital accounts . . . . .		524,992		598,442
22 <b>Total liabilities and capital</b> . . . . .		955,646		1,000,709

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return** (Not required if Question 5 on Schedule B is answered "Yes." See page 29 of the instructions.)

1 Net income (loss) per books . . . . .	105,450	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): . . . . .		a Tax-exempt interest \$ . . . . .	
3 Guaranteed payments (other than health insurance) . . . . .		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17f, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17f, and 18b (itemize):		a Depreciation \$ . . . . .	
a Depreciation \$ . . . . .		8 Add lines 6 and 7 . . . . .	
b Travel and entertainment \$ 1,275 . . . . .	1,275	9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 . . . . .	106,725
5 Add lines 1 through 4 . . . . .	106,725		

**Schedule M-2 Analysis of Partners' Capital Accounts** (Not required if Question 5 on Schedule B is answered "Yes.")

1 Balance at beginning of year . . . . .	524,992	6 Distributions: a Cash . . . . .	32,000	32,000
2 Capital contributed during year . . . . .		b Property . . . . .		
3 Net income (loss) per books . . . . .	105,450	7 Other decreases (itemize): . . . . .		
4 Other increases (itemize): . . . . .		8 Add lines 6 and 7 . . . . .	32,000	
5 Add lines 1 through 4 . . . . .	630,442	9 Balance at end of year. Subtract line 8 from line 5 . . . . .	598,442	598,442



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-12-0001

**Partnership's identifying number** ▶ 52:0000012

Partner's name, address, and ZIP code # 1

ERNESTO SHORTSTOP

2254 ANY BAY ROAD

ANY FOREST, IL 61044

Partnership's name, address, and ZIP code

MAIL ORDER SOUVENIRS JOINT VENTURE

12 ANY STREET

ANYTOWN,IL 60615

**A** This partner is a  general partner  limited partner  
 limited liability company member

**B** What type of entity is this partner? ▶ INDIVIDUAL

**C** Is this partner a  domestic or a  foreign partner?

**D** Enter partner's percentage of: (i) Before change or termination (ii) End of year

Profit sharing . . . . . 75.0000 % 75.0000 %

Loss sharing . . . . . 75.0000 % 75.0000 %

Ownership of capital . . . . . 75.0000 % 75.0000 %

**E** IRS Center where partnership filed return: KANSAS CITY

**F** Partner's share of liabilities (see instructions):

Nonrecourse . . . . . \$ 283,810

Qualified nonrecourse financing . . . . . \$

Other . . . . . \$ 17,890

**G** Tax shelter registration number . . . . . ▶

**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .

**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
392,022		79,088	( 24,000 )	447,110

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Income (Loss)	1 Ordinary income (loss) from trade or business activities . . . . .	1 87,869	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2	
	3 Net income (loss) from other rental activities . . . . .	3	
	4 Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	a Interest . . . . .	4a 1,881	
	b Ordinary dividends . . . . .	4b 330	
	c Royalties . . . . .	4c	
	d Net short-term capital gain (loss) . . . . .	4d	
	e Net long-term capital gain (loss):		
	(1) 28% rate gain (loss) . . . . .	e(1)	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065). Enter on applicable line of your return.
	(2) Total for year. . . . .	e(2)	
f Other portfolio income (loss) (attach schedule) . . . . .	4f	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065). Enter on applicable line of your return.	
5 Guaranteed payments to partner . . . . .	5		
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065). Enter on applicable line of your return.	
7 Other income (loss) (attach schedule) . . . . .	7		
Deductions	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8 8,258	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	9 Section 179 expense deduction . . . . .	9 1,778	
	10 Deductions related to portfolio income (attach schedule) . . . . .	10	
	11 Other deductions (attach schedule) . . . . .	11	
Credits	12a Low-income housing credit:		} Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
	d Credits related to other rental activities . . . . .	12d	
13 Other credits . . . . .	13		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1) 2,211	
		(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a 87,869	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Gross farming or fishing income . . . . .	15b	
	c	Gross nonfarm income . . . . .	15c 580,787	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b	Adjusted gain or loss . . . . .	16b	
	c	Depletion (other than oil and gas) . . . . .	16c	
	d	(1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	e	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
	e	Other adjustments and tax preference items (attach schedule) . . . . .	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶ . . . . .	17a	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.
	b	Total gross income sourced at partner level . . . . .	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
		(1) U.S. source and listed categories . . . . .	17c(1)	
		(2) Passive . . . . .	17c(2)	
		(3) General limitation . . . . .	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
		(1) Interest expense . . . . .	17d(1)	
		(2) Other . . . . .	17d(2)	
	e	Deductions allocated and apportioned at partnership level (attach schedule):		
		(1) U.S. source and listed categories . . . . .	17e(1)	
	(2) Passive . . . . .	17e(2)		
	(3) General limitation . . . . .	17e(3)		
f	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	18	Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Amount . . . . .	18b	
	19	Tax-exempt interest income . . . . .	19	Form 1040, line 8b
	20	Other tax-exempt income . . . . .	20	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	21	Nondeductible expenses . . . . .	21 956	
	22	Distributions of money (cash and marketable securities) . . . . .	22 24,000	
	23	Distributions of property other than money . . . . .	23	} Form 8611, line 8
24	Recapture of low-income housing credit:			
a	From section 42(j)(5) partnerships . . . . .	24a		
b	Other than on line 24a . . . . .	24b		
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
		<u>LINE 8- CHARITABLE CONTRIBUTIONS:</u>		
		CHICAGO BRUINS BENEVOLENT FUND . . . . .	1,392	
		CHICAGO PARKS AUTHORITY . . . . .	1,927	
		MAJOR LEAGUE BASEBALL CHARITIES . . . . .	4,189	
		ARCHDIOCESE OF CHICAGO . . . . .	750	
		TOTAL . . . . .	8,258	
		<u>ITEM J (C) - CAPITAL ACCOUNT ADJUSTMENTS:</u>		
		ORDINARY INCOME (LOSS) . . . . .	87,869	
		INTEREST . . . . .	1,881	
		DIVIDENDS . . . . .	330	
		CHARITABLE CONTRIBUTIONS . . . . .	(8,258)	
		SECTION 179 EXPENSE . . . . .	(1,778)	
		NONDEDUCTIBLE EXPENSES . . . . .	(956)	
	TOTAL . . . . .	79,088		



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-12-0002  
**Partner's name, address, and ZIP code** # 2  
 HANGING CURVEBALL  
 1253 THERE-SHE-GOES AVENUE  
 ANYTOWN, IL 60622

**Partnership's identifying number** ▶ 52:0000012  
**Partnership's name, address, and ZIP code**  
 MAIL ORDER SOUVENIRS JOINT VENTURE  
 12 ANY STREET  
 ANYTOWN, IL 60615

**A** This partner is a  general partner  limited partner  
 limited liability company member  
**B** What type of entity is this partner? ▶ **INDIVIDUAL**  
**C** Is this partner a  domestic or a  foreign partner?  
**D** Enter partner's percentage of:  
 Profit sharing . . . . . **25.0000** % **25.0000** %  
 Loss sharing . . . . . **25.0000** % **25.0000** %  
 Ownership of capital . . . . . **25.0000** % **25.0000** %  
**E** IRS Center where partnership filed return: **KANSAS CITY**

**F** Partner's share of liabilities (see instructions):  
 Nonrecourse . . . . . \$ **94,603**  
 Qualified nonrecourse financing . . . . . \$  
 Other . . . . . \$ **5,964**  
**G** Tax shelter registration number . . . . .  
**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .   
**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
132,970		26,362	( 8,000 )	151,332

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	<b>1</b> Ordinary income (loss) from trade or business activities . . . . .	<b>1</b> 29,289	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>2</b> Net income (loss) from rental real estate activities . . . . .	<b>2</b>	
	<b>3</b> Net income (loss) from other rental activities . . . . .	<b>3</b>	
	<b>4</b> Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f)
	<b>a</b> Interest . . . . .	<b>4a</b> 627	
	<b>b</b> Ordinary dividends . . . . .	<b>4b</b> 110	
	<b>c</b> Royalties . . . . .	<b>4c</b>	
	<b>d</b> Net short-term capital gain (loss) . . . . .	<b>4d</b>	
	<b>e</b> Net long-term capital gain (loss):		
	<b>(1)</b> 28% rate gain (loss) . . . . .	<b>e(1)</b>	} Sch. D, line 12, col. (g) Sch. D, line 12, col. (f)
	<b>(2)</b> Total for year. . . . .	<b>e(2)</b>	
	<b>f</b> Other portfolio income (loss) (attach schedule) . . . . .	<b>4f</b>	} Enter on applicable line of your return. } See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>5</b> Guaranteed payments to partner . . . . .	<b>5</b>	
<b>6</b> Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	<b>6</b>	} Enter on applicable line of your return.	
<b>7</b> Other income (loss) (attach schedule) . . . . .	<b>7</b>		
<b>Deductions</b>	<b>8</b> Charitable contributions (see instructions) (attach schedule) . . . . .	<b>8</b> 2,753	} Sch. A, line 15 or 16
	<b>9</b> Section 179 expense deduction . . . . .	<b>9</b> 592	
	<b>10</b> Deductions related to portfolio income (attach schedule) . . . . .	<b>10</b>	} See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>11</b> Other deductions (attach schedule) . . . . .	<b>11</b>	
<b>Credits</b>	<b>12a</b> Low-income housing credit:		} Form 8586, line 5
	<b>(1)</b> From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	<b>a(1)</b>	
	<b>(2)</b> Other than on line 12a(1) for property placed in service before 1990 . . . . .	<b>a(2)</b>	
	<b>(3)</b> From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	<b>a(3)</b>	
	<b>(4)</b> Other than on line 12a(3) for property placed in service after 1989 . . . . .	<b>a(4)</b>	
	<b>b</b> Qualified rehabilitation expenditures related to rental real estate activities . . . . .	<b>12b</b>	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>c</b> Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	<b>12c</b>	
	<b>d</b> Credits related to other rental activities . . . . .	<b>12d</b>	
<b>13</b> Other credits . . . . .	<b>13</b>		

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a Interest expense on investment debts . . . . .	14a	Form 4952, line 1 See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b (1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1) 737	
	(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a Net earnings (loss) from self-employment . . . . .	15a 29,289	Sch. SE, Section A or B See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b Gross farming or fishing income . . . . .	15b	
	c Gross nonfarm income . . . . .	15c 193,595	
Adjustments and Tax Preference Items	16a Depreciation adjustment on property placed in service after 1986 . . . . .	16a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b Adjusted gain or loss . . . . .	16b	
	c Depletion (other than oil and gas) . . . . .	16c	
	d (1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
e Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a Name of foreign country or U.S. possession ▶ . . . . .	17a	Form 1116, Part I  Form 1116, Part II  Form 1116, Part III and Instructions for Form 1116.
	b Total gross income sourced at partner level . . . . .	17b	
	c Total gross income sourced at partnership level (attach schedule):		
	(1) U.S. source and listed categories . . . . .	17c(1)	
	(2) Passive . . . . .	17c(2)	
	(3) General limitation . . . . .	17c(3)	
	d Deductions allocated and apportioned at partner level:		
	(1) Interest expense . . . . .	17d(1)	
	(2) Other . . . . .	17d(2)	
	e Deductions allocated and apportioned at partnership level (attach schedule):		
	(1) U.S. source and listed categories . . . . .	17e(1)	
(2) Passive . . . . .	17e(2)		
(3) General limitation . . . . .	17e(3)		
f Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	18 Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065). Form 1040, line 8b See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).  Form 8611, line 8
	b Amount . . . . .	18b	
	19 Tax-exempt interest income . . . . .	19	
	20 Other tax-exempt income . . . . .	20	
	21 Nondeductible expenses . . . . .	21 319	
	22 Distributions of money (cash and marketable securities) . . . . .	22 8,000	
	23 Distributions of property other than money . . . . .	23	
24 Recapture of low-income housing credit:			
a From section 42(j)(5) partnerships . . . . .	24a		
b Other than on line 24a . . . . .	24b		
Supplemental Information	25 Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
	LINE 8 - CHARITABLE CONTRIBUTIONS:		
	CHICAGO BRUINS BENEVOLENT FUND	464	
	CHICAGO PARKS AUTHORITY	643	
	MAJOR LEAGUE BASEBALL CHARITIES	1,396	
	ARCHDIOCESE OF CHICAGO	250	
	TOTAL	2,753	
	ITEM J(C)- CAPITAL ACCOUNT ADJUSTMENTS:		
	ORDINARY INCOME (LOSS)	29,289	
	INTEREST	627	
	DIVIDENDS	110	
	CHARITABLE CONTRIBUTIONS	(2,753)	
	SECTION 179 EXPENSE	(592)	
	NONDEDUCTIBLE EXPENSES	(319)	
TOTAL	26,362		



**TEST #13**

<b>FORMS REQUIRED:</b>	<b>1065, 4562, 5884, 2 K-1s (1065)</b>
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**FORM 1065, PAGE 1: IDENTIFYING INFORMATION**

**NAME OF PARTNERSHIP:**

INTERNET ARTISTS  
13 ANY STREET  
ANYTOWN, NY 10006

**NAME OF PREPARER:**

ELECTRONIC TAX FILERS, INC.  
100 TECHO DRIVE  
RAINTOWN, WA 98530  
EIN: 52-0000099  
PREPARER SNN: 001-99-0001

**FORM 1065, PAGE1:**

**LINE A:** WEBSITE DESIGN  
**LINE B:** WEBSITE DESIGN  
**LINE C:** 541519  
**LINE D:** 52-0000013  
**LINE E:** 04/01/97  
**LINE G(3):** X  
**LINE H(1):** X  
**LINE 1a:** 188563  
**LINE 9:** 16720  
**LINE 11:** 238  
**LINE 13:** 12160  
**LINE 14:** 1530

**LINE 20 (STM 01):**

ACCOUNTING	1500
ADVERTISING	5000
BANK CHARGES	50
INSURANCE	1000
MEALS & ENTERTAINMENT (50% = 916)	1832
OFFICE EXPENSE	1500
OUTSIDE SERVICES	18773
TELEPHONE	6500
UTILITIES	575
INTERNET EXPENSE	3500

**TEST #13 (Continued):**

**FORM 1065, PAGE 2, SCHEDULE A:**

LINE 9(d): NO  
LINE 9(e): NO

**FORM 1065, PAGE 2, SCHEDULE B:**

LINE 1a: X  
LINE 2: NO  
LINE 3: NO  
LINE 4: NO  
LINE 5: YES  
LINE 6: NO  
LINE 7: NO  
LINE 8: NO  
LINE 9: NO  
LINE 10: NO  
LINE 11: NO  
LINE 12: 0

**FORM 1065, PAGE 3, SCHEDULE K:**

LINE 4a: 153  
LINE 16a: 187

**FORM 1065, PAGE 4, SCHEDULE L:**

LINE 1(b): 23543  
LINE 1(d): 78916  
LINE 9a(a): 11566  
LINE 9a(c): 45066  
LINE 9b(a): 11566  
LINE 9b(c): 30816  
LINE 17(b) (STM 02):  
VARIOUS 5769  
LINE 17(d) (STM 03):  
VARIOUS 5685

**FORM 1065, PAGE 4, SCHEDULE M-1:**

LINE 1: 95308  
LINE 4b: 916  
LINE 4 (STM 04):  
FORM 5884 CREDIT 3280

**TEST #13 (Continued):**

**FORM 1065, PAGE 4, SCHEDULE M-2:**

LINE 1: 17774  
LINE 6a: 25601

**FORM 4562:**

**ACTIVITY TO WHICH THIS FORM RELATES: FORM 1065,  
PAGE 1, LINE 22**

**FORM 4562: PART I:**

LINE 2: 33500

**FORM 4562, PART V, SECTION A:**

LINE 24(a):	ASSET 1	COMPUTER SYSTEM	
LINE 24(a):	ASSET 2	COMPUTER SYSTEM	
LINE 24(b):	ASSET 1	04/01/97	
LINE 24(b):	ASSET 2	12/31/00	
LINE 24(c):	ASSET 1		100%
LINE 24(c):	ASSET 2		100%
LINE 24(d):	ASSET 1		11566
LINE 24(d):	ASSET 2		33500
LINE 24(e):	ASSET 1		0
LINE 24(e):	ASSET 2		15000
LINE 24(f):	ASSET 1		5 YRS
LINE 24(f):	ASSET 2		5 YRS
LINE 24(g):	ASSET 1		200DB/HY
LINE 24(g):	ASSET 2		200DB/MQ
LINE 24(i):	ASSET 1		0
LINE 24(i):	ASSET 2		18500

**FORM 4562, PART V, SECTION C:**

LINE 35	NO
LINE 36	NO
LINE 37	NO
LINE 38	NO
LINE 39	NO

**TEST #13 (Continued):**

**FORM 5884:**

**ACTIVITY TO WHICH THIS FORM RELATES:**

**FORM 1065, PAGE 3, LINE 13**

**LINE 1(i):** 8200

**SCHEDULE K-1 (FORM 1065), #1:**

PARTNER'S IDENTIFICATION NUMBER: 001-13-0001

PARTNER'S NAME: BOBBY DESIGN

PARTNER'S ADDRESS: 21 WALL STREET  
ANYTOWN, NY 10005

**LINE A:** GENERAL PARTNER

**LINE B:** INDIVIDUAL

**LINE C:** DOMESTIC

**LINE D(i):** BEFORE CHANGE OR TERMINATION:

PROFIT SHARING 50.00000%

LOSS SHARING 50.00000%

OWNERSHIP OF CAPITAL 50.00000%

**LINE D(ii):** END OF YEAR:

PROFIT SHARING 50.00000%

LOSS SHARING 50.00000%

OWNERSHIP OF CAPITAL 50.00000%

**LINE E:** ANDOVER

**LINE F:** OTHER 2842

**LINE J(a):** 8887

**LINE J(b):** 0

**LINE J(c):** 47654

**LINE J(d):** 12801

**LINE 13 (STM 05):**

FORM 5884 CREDIT 1640

**SCHEDULE K-1 (FORM 1065), #2:**

PARTNER'S IDENTIFICATION NUMBER: 001-13-0002

PARTNER'S NAME: REBECCA BOOKS

PARTNER'S ADDRESS: 1010 WEST STREET  
ANYTOWN, NY 10007

**LINE A:** GENERAL PARTNER

**LINE B:** INDIVIDUAL

**LINE C:** DOMESTIC

**LINE D(i):** BEFORE CHANGE OR TERMINATION:

**TEST #13 (Continued):**

**SCHEDULE K-1 (FORM 1065), #2 (Continued):**

<b>LINE D(i):</b>	PROFIT SHARING	50.00000%
	LOSS SHARING	50.00000%
	OWNERSHIP OF CAPITAL	50.00000%
<b>LINE D(ii):</b>	END OF YEAR:	
	PROFIT SHARING	50.00000%
	LOSS SHARING	50.00000%
	OWNERSHIP OF CAPITAL	50.00000%
<b>LINE E:</b>	ANDOVER	
<b>LINE F:</b>	OTHER	2842
<b>LINE J(a):</b>	8887	
<b>LINE J(b):</b>	0	
<b>LINE J(c):</b>	47654	
<b>LINE J(d):</b>	12800	
<b>LINE 13 (STM 06):</b>		
	FORM 5884 CREDIT	1640

# U.S. Return of Partnership Income

OMB No. 1545-0099

For calendar year 2000, or tax year beginning \_\_\_\_\_, 2000, and ending \_\_\_\_\_, 20\_\_\_\_  
▶ See separate instructions.

**2000**

<b>A</b> Principal business activity <b>WEBSITE DESIGN</b>	<b>Use the IRS label. Otherwise, please print or type.</b>	Name of partnership <b>INTERNET ARTISTS</b>	<b>D</b> Employer identification number <b>52:0000013</b>
<b>B</b> Principal product or service <b>WEBSITE DESIGN</b>		Number, street, and room or suite no. If a P.O. box, see page 12 of the instructions. <b>13 ANY STREET</b>	<b>E</b> Date business started <b>4/01/97</b>
<b>C</b> Business code number <b>541519</b>		City or town, state, and ZIP code <b>ANYTOWN, NY 10006</b>	<b>F</b> Total assets (see page 12 of the instructions) <b>\$ 93,166</b>

**G** Check applicable boxes: (1)  Initial return (2)  Final return (3)  Change in address (4)  Amended return  
**H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_  
**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ 2

**Caution:** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

<b>Income</b>	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b>	<b>188,563</b>			
	<b>b</b> Less returns and allowances . . . . .	<b>1b</b>			<b>1c</b>	<b>188,563</b>
	<b>2</b> Cost of goods sold (Schedule A, line 8) . . . . .	<b>2</b>				
	<b>3</b> Gross profit. Subtract line 2 from line 1c . . . . .	<b>3</b>				<b>188,563</b>
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule) . . . . .	<b>4</b>				
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .	<b>5</b>				
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 18. . . . .	<b>6</b>				
	<b>7</b> Other income (loss) (attach schedule) . . . . .	<b>7</b>				
<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .	<b>8</b>					<b>188,563</b>
<b>Deductions</b> (see page 14 of the instructions for limitations)	<b>9</b> Salaries and wages (other than to partners) (less employment credits) . . . . .	<b>9</b>				<b>16,720</b>
	<b>10</b> Guaranteed payments to partners . . . . .	<b>10</b>				
	<b>11</b> Repairs and maintenance . . . . .	<b>11</b>				<b>238</b>
	<b>12</b> Bad debts . . . . .	<b>12</b>				
	<b>13</b> Rent . . . . .	<b>13</b>				<b>12,160</b>
	<b>14</b> Taxes and licenses . . . . .	<b>14</b>				<b>1,530</b>
	<b>15</b> Interest . . . . .	<b>15</b>				
	<b>16a</b> Depreciation (if required, attach Form 4562) . . . . .	<b>16a</b>	<b>750</b>			
	<b>b</b> Less depreciation reported on Schedule A and elsewhere on return . . . . .	<b>16b</b>				<b>750</b>
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .	<b>17</b>				
	<b>18</b> Retirement plans, etc. . . . .	<b>18</b>				
	<b>19</b> Employee benefit programs . . . . .	<b>19</b>				
	<b>20</b> Other deductions (attach schedule) . . . . .	<b>20</b>				<b>39,314</b>
<b>21 Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20 . . . . .	<b>21</b>					<b>70,712</b>
<b>22 Ordinary income (loss)</b> from trade or business activities. Subtract line 21 from line 8 . . . . .	<b>22</b>					<b>117,851</b>

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

**Please Sign Here**

Signature of general partner or limited liability company member \_\_\_\_\_ Date \_\_\_\_\_

**Paid Preparer's Use Only**

Preparer's signature \_\_\_\_\_ Date \_\_\_\_\_ Check if self-employed  Preparer's SSN or PTIN **001-99-0001**

Firm's name (or yours if self-employed), address, and ZIP code **ELECTRONIC TAX FILERS, INC** EIN **52:0000099**  
**100 TECHO DRIVE RAIN TOWN, WA 98530** Phone no. ( ) \_\_\_\_\_

**Schedule A Cost of Goods Sold** (see page 17 of the instructions)

1	Inventory at beginning of year . . . . .	1		
2	Purchases less cost of items withdrawn for personal use . . . . .	2		
3	Cost of labor . . . . .	3		
4	Additional section 263A costs (attach schedule) . . . . .	4		
5	Other costs (attach schedule) . . . . .	5		
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6		
7	Inventory at end of year . . . . .	7		
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8		

- 9a Check all methods used for valuing closing inventory:
- (i)  Cost as described in Regulations section 1.471-3
  - (ii)  Lower of cost or market as described in Regulations section 1.471-4
  - (iii)  Other (specify method used and attach explanation) ▶ .....
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c). . . . ▶
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . ▶
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? . .  Yes  No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information**

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input checked="" type="checkbox"/> Domestic general partnership		
b <input type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶ .....		
2 Are any partners in this partnership also partnerships? . . . . .		X
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment . . . . .		X
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see <b>Designation of Tax Matters Partner</b> below . . . . .		X
5 Does this partnership meet <b>all three</b> of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000; <b>and</b>		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 . . . . .	X	
6 Does this partnership have any foreign partners? . . . . .		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? . . . . .		X
8 Has this partnership filed, or is it required to file, <b>Form 8264</b> , Application for Registration of a Tax Shelter? . . . . .		X
9 At any time during calendar year 2000, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 18 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶ .....		X
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 18 of the instructions . . . . .		X
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under <b>Elections Made By the Partnership</b> on page 7 of the instructions . . . . .		X
12 Enter the number of Forms 8865 attached to this return ▶ .....		0

**Designation of Tax Matters Partner** (see page 18 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶ \_\_\_\_\_ Identifying number of TMP ▶ \_\_\_\_\_

Address of designated TMP ▶ \_\_\_\_\_

**Schedule K Partners' Shares of Income, Credits, Deductions, etc.**

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 22)	1	117,851
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):	4a	153
	a	Interest income	4b	
	b	Ordinary dividends	4c	
	c	Royalty income	4d	
	d	Net short-term capital gain (loss) (attach Schedule D (Form 1065))		
	e	Net long-term capital gain (loss) (attach Schedule D (Form 1065)):		
	(1)	28% rate gain (loss)	4e(2)	
	(2)	Total for year	4f	
5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	
	9	Section 179 expense deduction (attach Form 4562)	9	18,500
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12a(1)	
	(2)	Other than on line 12a(1) for property placed in service before 1990	12a(2)	
	(3)	From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12a(3)	
	(4)	Other than on line 12a(3) for property placed in service after 1989	12a(4)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
	d	Credits related to other rental activities	12d	
13	Other credits	13	3,280	
Investment Interest	14a	Interest expense on investment debts	14a	
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	153
	(2)	Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	117,851
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	188,563
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	187
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d (1)	Gross income from oil, gas, and geothermal properties	16d(1)	
	(2)	Deductions allocable to oil, gas, and geothermal properties	16d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession		
	b	Total gross income sourced at partner level	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
	(1)	U.S. source and listed categories	17c(3)	
	(2)	Passive		
	(3)	General limitation		
	d	Deductions allocated and apportioned at partner level:		
	(1)	Interest expense	17d(2)	
(2)	Other			
e	Deductions allocated and apportioned at partnership level (attach schedule):			
(1)	U.S. source and listed categories	17e(3)		
(2)	Passive			
(3)	General limitation			
f	Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17f		
g	Reduction in taxes available for credit (attach schedule)	17g		
Other	18	Section 59(e)(2) expenditures: a Type b Amount	18b	
	19	Tax-exempt interest income	19	
	20	Other tax-exempt income	20	
	21	Nondeductible expenses	21	4,196
	22	Distributions of money (cash and marketable securities)	22	25,601
	23	Distributions of property other than money	23	
	24	Other items and amounts required to be reported separately to partners (attach schedule)		

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17f, and 18b . . . . .						1	99,504
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners		99,504					
b Limited partners							

**Schedule L Balance Sheets per Books** (Not required if Question 5 on Schedule B is answered "Yes.")

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash . . . . .		23,543		78,916
2a Trade notes and accounts receivable . . . . .				
b Less allowance for bad debts . . . . .				
3 Inventories . . . . .				
4 U.S. government obligations . . . . .				
5 Tax-exempt securities . . . . .				
6 Other current assets (attach schedule) . . . . .				
7 Mortgage and real estate loans . . . . .				
8 Other investments (attach schedule) . . . . .				
9a Buildings and other depreciable assets . . . . .	11,566		45,066	
b Less accumulated depreciation . . . . .	11,566		30,816	14,250
10a Depletable assets . . . . .				
b Less accumulated depletion . . . . .				
11 Land (net of any amortization) . . . . .				
12a Intangible assets (amortizable only). . . . .				
b Less accumulated amortization . . . . .				
13 Other assets (attach schedule) . . . . .				
14 <b>Total assets</b> . . . . .		23,543		93,166
<b>Liabilities and Capital</b>				
15 Accounts payable . . . . .				
16 Mortgages, notes, bonds payable in less than 1 year . . . . .				
17 Other current liabilities (attach schedule) . . . . .		5,769		5,685
18 All nonrecourse loans . . . . .				
19 Mortgages, notes, bonds payable in 1 year or more . . . . .				
20 Other liabilities (attach schedule) . . . . .				
21 Partners' capital accounts . . . . .		17,774		87,481
22 <b>Total liabilities and capital</b> . . . . .		23,543		93,166

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return** (Not required if Question 5 on Schedule B is answered "Yes." See page 29 of the instructions.)

1 Net income (loss) per books . . . . .	95,308	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): . . . . .		a Tax-exempt interest \$ . . . . .	
3 Guaranteed payments (other than health insurance) . . . . .		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17f, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17f, and 18b (itemize):		a Depreciation \$ . . . . .	
a Depreciation \$ . . . . .		8 Add lines 6 and 7 . . . . .	
b Travel and entertainment \$ 916 . . . . .		9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 . . . . .	99,504
FORM 5884 CREDIT 3,280 . . . . .	4,196		
5 Add lines 1 through 4 . . . . .	99,504		

**Schedule M-2 Analysis of Partners' Capital Accounts** (Not required if Question 5 on Schedule B is answered "Yes.")

1 Balance at beginning of year . . . . .	17,774	6 Distributions: a Cash . . . . .	25,601	25,601
2 Capital contributed during year . . . . .		b Property . . . . .		
3 Net income (loss) per books . . . . .	95,308	7 Other decreases (itemize): . . . . .		
4 Other increases (itemize): . . . . .		8 Add lines 6 and 7 . . . . .	25,601	
5 Add lines 1 through 4 . . . . .	113,082	9 Balance at end of year. Subtract line 8 from line 5 . . . . .	87,481	87,481



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ **001-13-0001**  
 Partner's name, address, and ZIP code **#1**  
**BOBBY DESIGN**  
**21 WALL STREET**  
**ANYTOWN, NY 10005**

**Partnership's identifying number** ▶ **52:0000013**  
 Partnership's name, address, and ZIP code  
**INTERNET ARTISTS**  
**13 ANY STREET**  
**ANYTOWN, NY 10006**

**A** This partner is a  general partner  limited partner  
 limited liability company member  
**B** What type of entity is this partner? ▶ **INDIVIDUAL**  
**C** Is this partner a  domestic or a  foreign partner?  
**D** Enter partner's percentage of:  
 Profit sharing . . . . . **50.0000%** **50.0000%**  
 Loss sharing . . . . . **50.0000%** **50.0000%**  
 Ownership of capital . . . . . **50.0000%** **50.0000%**  
**E** IRS Center where partnership filed return: **ANDOVER**

**F** Partner's share of liabilities (see instructions):  
 Nonrecourse . . . . . \$ .....  
 Qualified nonrecourse financing . . . . . \$ .....  
 Other . . . . . \$ **2,842**  
**G** Tax shelter registration number . . . . .  
**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .   
**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
<b>8,887</b>		<b>47,654</b>	<b>( 12,801 )</b>	<b>43,741</b>

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	<b>1</b> Ordinary income (loss) from trade or business activities . . . . .	<b>58,926</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>2</b> Net income (loss) from rental real estate activities . . . . .		
	<b>3</b> Net income (loss) from other rental activities . . . . .		
	<b>4</b> Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	<b>a</b> Interest . . . . .	<b>77</b>	
	<b>b</b> Ordinary dividends . . . . .		
	<b>c</b> Royalties . . . . .		
<b>d</b> Net short-term capital gain (loss) . . . . .			
<b>e</b> Net long-term capital gain (loss):			
<b>(1)</b> 28% rate gain (loss) . . . . .		} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
<b>(2)</b> Total for year. . . . .			
<b>f</b> Other portfolio income (loss) (attach schedule) . . . . .		} Enter on applicable line of your return.	
<b>5</b> Guaranteed payments to partner . . . . .			
<b>6</b> Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .		} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
<b>7</b> Other income (loss) (attach schedule) . . . . .			
<b>Deductions</b>	<b>8</b> Charitable contributions (see instructions) (attach schedule) . . . . .		} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>9</b> Section 179 expense deduction . . . . .	<b>9,250</b>	
	<b>10</b> Deductions related to portfolio income (attach schedule) . . . . .		
	<b>11</b> Other deductions (attach schedule) . . . . .		
<b>Credits</b>	<b>12a</b> Low-income housing credit:		} Form 8586, line 5
	<b>(1)</b> From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .		
	<b>(2)</b> Other than on line 12a(1) for property placed in service before 1990 . . . . .		
	<b>(3)</b> From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .		
	<b>(4)</b> Other than on line 12a(3) for property placed in service after 1989 . . . . .		
	<b>b</b> Qualified rehabilitation expenditures related to rental real estate activities . . . . .		} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>c</b> Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .		
	<b>d</b> Credits related to other rental activities . . . . .		
<b>13</b> Other credits . . . . .	<b>1,640</b>		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b (1)	(1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1) 77	
	b (2)	(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a 58,926	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Gross farming or fishing income . . . . .	15b	
	c	Gross nonfarm income . . . . .	15c 94,282	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a 94	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b	Adjusted gain or loss . . . . .	16b	
	c	Depletion (other than oil and gas) . . . . .	16c	
	d (1)	(1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	d (2)	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
e	Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶ . . . . .	17a	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.
	b	Total gross income sourced at partner level . . . . .	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
	(1)	(1) U.S. source and listed categories . . . . .	17c(1)	
	(2)	(2) Passive . . . . .	17c(2)	
	(3)	(3) General limitation . . . . .	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
	(1)	(1) Interest expense . . . . .	17d(1)	
	(2)	(2) Other . . . . .	17d(2)	
	e	Deductions allocated and apportioned at partnership level (attach schedule):		
(1)	(1) U.S. source and listed categories . . . . .	17e(1)		
(2)	(2) Passive . . . . .	17e(2)		
(3)	(3) General limitation . . . . .	17e(3)		
f	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	18	Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	b Amount . . . . .	18b	
	19	Tax-exempt interest income . . . . .	19	Form 1040, line 8b
	20	Other tax-exempt income . . . . .	20	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	21	Nondeductible expenses . . . . .	21 2,098	
	22	Distributions of money (cash and marketable securities) . . . . .	22 12,801	
	23	Distributions of property other than money . . . . .	23	} Form 8611, line 8
24	Recapture of low-income housing credit:			
a	From section 42(j)(5) partnerships . . . . .	24a		
b	Other than on line 24a . . . . .	24b		
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
		LINE 13 - OTHER CREDITS		
		FORM 5884 - WORK OPPORTUNITY CREDIT	1,640	
		TOTAL	1,640	
		ITEM J (C) - CAPITAL ACCOUNT ADJUSTMENTS		
		ORDINARY INCOME (LOSS)	58,926	
		INTEREST INCOME	77	
		SEC.179 EXPENSES	(9,250)	
		NONDEDUCTIBLE EXPENSE	(2,098)	
		ROUNDING	(1)	
	TOTAL	47,654		



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-13-0002

**Partnership's identifying number** ▶ 52:0000013

Partner's name, address, and ZIP code # 2  
REBECCA BOOKS  
1010 WEST STREET  
ANYTOWN, NY 10007

Partnership's name, address, and ZIP code  
INTERNET ARTISTS  
13 ANY STREET  
ANYTOWN, NY 10006

**A** This partner is a  general partner  limited partner  
 limited liability company member

**B** What type of entity is this partner? ▶ INDIVIDUAL

**C** Is this partner a  domestic or a  foreign partner?

**D** Enter partner's percentage of:  
 (i) Before change or termination (ii) End of year  
 Profit sharing . . . . . 50.0000 % 50.0000 %  
 Loss sharing . . . . . 50.0000 % 50.0000 %  
 Ownership of capital . . . . . 50.0000 % 50.0000 %

**E** IRS Center where partnership filed return: ANDOVER

**F** Partner's share of liabilities (see instructions):  
 Nonrecourse . . . . . \$ .....  
 Qualified nonrecourse financing . . . . . \$ .....  
 Other . . . . . \$ 2,843

**G** Tax shelter registration number . . . . .

**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .

**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
8,887		47,654	( 12,800 )	43,740

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Income (Loss)	1 Ordinary income (loss) from trade or business activities . . . . .	1 58,925	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2	
	3 Net income (loss) from other rental activities . . . . .	3	
	4 Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	a Interest . . . . .	4a 76	
	b Ordinary dividends . . . . .	4b	
	c Royalties . . . . .	4c	
d Net short-term capital gain (loss) . . . . .	4d		
e Net long-term capital gain (loss):			
(1) 28% rate gain (loss) . . . . .	e(1)	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
(2) Total for year. . . . .	e(2)		
f Other portfolio income (loss) (attach schedule) . . . . .	4f	} Enter on applicable line of your return.	
5 Guaranteed payments to partner . . . . .	5		
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
7 Other income (loss) (attach schedule) . . . . .	7		
Deductions	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	9 Section 179 expense deduction . . . . .	9 9,250	
	10 Deductions related to portfolio income (attach schedule) . . . . .	10	
	11 Other deductions (attach schedule) . . . . .	11	
Credits	12a Low-income housing credit:		} Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
	d Credits related to other rental activities . . . . .	12d	
13 Other credits . . . . .	13 1,640		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1) 76	
		(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a 58,925	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Gross farming or fishing income . . . . .	15b	
	c	Gross nonfarm income . . . . .	15c 94,281	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a 93	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b	Adjusted gain or loss . . . . .	16b	
	c	Depletion (other than oil and gas) . . . . .	16c	
	d	(1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	e	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶ . . . . .	17a	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.
	b	Total gross income sourced at partner level . . . . .	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
		(1) U.S. source and listed categories . . . . .	17c(1)	
		(2) Passive . . . . .	17c(2)	
		(3) General limitation . . . . .	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
		(1) Interest expense . . . . .	17d(1)	
		(2) Other . . . . .	17d(2)	
	e	Deductions allocated and apportioned at partnership level (attach schedule):		
		(1) U.S. source and listed categories . . . . .	17e(1)	
	(2) Passive . . . . .	17e(2)		
	(3) General limitation . . . . .	17e(3)		
f	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	18	Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Amount . . . . .	18b	
	19	Tax-exempt interest income . . . . .	19	Form 1040, line 8b
	20	Other tax-exempt income . . . . .	20	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	21	Nondeductible expenses . . . . .	21 2,098	
	22	Distributions of money (cash and marketable securities) . . . . .	22 12,800	
	23	Distributions of property other than money . . . . .	23	} Form 8611, line 8
24	Recapture of low-income housing credit:			
a	From section 42(j)(5) partnerships . . . . .	24a		
b	Other than on line 24a . . . . .	24b		
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
		LINE 13 - OTHER CREDITS		
		FORM 5884 - WORK OPPORTUNITY CREDIT	1,640	
		TOTAL	1,640	
		ITEM J (C) - CAPITAL ACCOUNT ADJUSTMENTS	58,925	
		ORDINARY INCOME (LOSS)	76	
		SEC 179 EXPENSE	(9,250)	
		NONDEDUCTIBLE EXPENSES	(2,098)	
		ROUNDING	1	
		TOTAL	47,654	



**TEST #14**

**FORMS REQUIRED: 1065, 4562, 6765, 8820, 2 K-1s (1065)**

**FORM 1065, PAGE 1: IDENTIFYING INFORMATION**

**NAME OF PARTNERSHIP:**

PHARMACEUTICALS LTD PARTNERSHIP  
14 ANY STREET  
ANY TOWN, MI 48236

**NAME OF PREPARER:**

ELECTRONIC TAX FILERS, INC.  
100 TECHO DRIVE  
RAINTOWN, WA 98530  
EIN: 52-0000099  
PREPARER SNN: 001-99-0001

**FORM 1065, PAGE 1:**

**LINE A:** RESEARCH  
**LINE B:** PHARMACEUTICALS  
**LINE C:** 541990  
**LINE D:** 52-0000014  
**LINE E:** 08/23/71  
**LINE H(2):** X  
**LINE 1a:** 2054865  
**LINE 1b:** 0  
**LINE 9:** 750650  
**LINE 11:** 126218  
**LINE 12:** 12000  
**LINE 13:** 0  
**LINE 14:** 130000  
**LINE 15:** 20000  
**LINE 18:** 12540  
**LINE 19:** 6550

**LINE 20 (STM 01):**

EQUIPMENT RENTAL - COMPUTERS	50523
EQUIPMENT RENTAL - OTHER	187753
INSURANCE - OFFICE	26675
LEGAL AND ACCOUNTING	32475
CONTRACT LAB COSTS	249750
UTILITIES	35478
CLINICAL TRIAL FILING FEES - FDA	102846

**TEST #14 (Continued):**

**FORM 1065, PAGE 2, SCHEDULE A:**

LINE 9d: NO  
LINE 9e: NO

**FORM 1065, PAGE 2, SCHEDULE B:**

LINE 1b: X  
LINE 2: YES  
LINE 3: NO  
LINE 4: NO  
LINE 5: NO  
LINE 6: NO  
LINE 7: NO  
LINE 8: NO  
LINE 9: NO  
LINE 10: NO  
LINE 11: NO  
LINE 12: 0

**FORM 1065, PAGE 2 (DESIGNATION OF TAX MATTERS PARTNER):**

NAME OF DESIGNATED TMP: SALK RESEARCH, INC.  
IDENTIFYING NUMBER OF TMP: 52-1140001  
ADDRESS OF DESIGNATED TMP: 2517 ANY BLVD.  
ANY POINTE, MI 48111

**FORM 1065, PAGE 3, SCHEDULE K:**

LINE 4a: 2504  
LINE 4b: 2156

**LINE 8 (STM 02):**

WHITMAN-WALKER CLINIC 1250  
THE POLIO FOUNDATION 12575  
CYSTIC - FIBROSIS SOCIETY 2200

LINE 19: 2000

**FORM 1065, PAGE 4, SCHEDULE L:**

LINE 1(b): 85241  
LINE 1(d): 88000  
LINE 2a(a): 125474  
LINE 2a(c): 130522  
LINE 2b(a): 1060  
LINE 2b(c): 2015  
LINE 5(b): 82044  
LINE 5(d): 82044

**LINE 6(b) (STM 03):**

PREPAID INSURANCE 9402

**TEST #14 (Continued):**

**FORM 1065, PAGE 4, SCHEDULE L (Continued):**

**LINE 6(b) (STM 03) (Continued):**

PREPAID PROPERTY TAXES 4899

**LINE 6(d) (STM 04):**

PREPAID INSURANCE 9600

PREPAID PROPERTY TAXES 5100

**LINE 8(b) (STM 05):**

STOCK - WARNER LAMBERT 75000

STOCK - ELI, LILLY & CO 12500

STOCK - UPJOHN 16500

STOCK - PFIZER 25000

**LINE 8(d) (STM 06):**

STOCK - WARNER LAMBERT 75000

STOCK - ELI, LILLY & CO 12500

STOCK - UPJOHN 16500

STOCK - PFIZER 25000

**LINE 9a(a):** 850000

**LINE 9a(c):** 850000

**LINE 9b(a):** 214500

**LINE 9b(c):** 231250

**LINE 11(b):** 75000

**LINE 11(d):** 75000

**LINE 13(b) (STM 07):**

UTILITY DEPOSITS 1350

**LINE 13(d) (STM 08):**

UTILITY DEPOSITS 1350

**LINE 15(b):** 102568

**LINE 15(d):** 120450

**LINE 16(b):** 22000

**LINE 16(d):** 24000

**LINE 17(b) (STM 09):**

ACCRUED SALARIES 12568

PAYROLL TAXES PAYABLE 5105

**LINE 17(d) (STM 10):**

ACCRUED SALARIES 18500

PAYROLL TAXES PAYABLE 6500

**LINE 18(b):** 13000

**LINE 18(d):** 13000

**LINE 19(b):** 250000

**LINE 19(d):** 228000

**LINE 20(b) (STM 11):**

COURT JUDGMENT PAYABLE (CURRENTLY ON APPEAL) 200000

**TEST #14 (Continued):**

**FORM 1065, PAGE 4, SCHEDULE L (Continued):**

**LINE 20(d) (STM 12):**

COURT JUDGMENT PAYABLE (CURRENTLY ON APPEAL) 200000

**FORM 1065, PAGE 4, SCHEDULE M-1:**

LINE 1: 285292

LINE 6a: 2000

**FORM 1065, PAGE 4, SCHEDULE M-2:**

LINE 1: 541609

LINE 3: 285292

LINE 6a: 300000

**FORM 4562:**

**ACTIVITY TO WHICH THIS FORM RELATES: FORM 1065, LINE 22**

**FORM 4562, PART III:**

LINE 17: 16750

**FORM 4562, PART V, SECTION C:**

LINE 35 NO

LINE 36 NO

LINE 37 NO

LINE 38 NO

LINE 39 NO

**FORM 6765, SECTION A:**

LINE 4: 645000

LINE 5: 75000

LINE 6: 35000

LINE 10: 2100000

**FORM 8820, PART I:**

LINE 1: 12632

**SCHEDULE K-1 (FORM 1065) #1:**

PARTNER'S IDENTIFYING NUMBER: 52-1140001  
PARTNER'S NAME: SALK RESEARCH, INC.  
PARTNER'S ADDRESS: 2517 ANY BLVD.  
ANY POINTE, MI 48111

LINE A: GENERAL PARTNER

LINE B: CORPORATION

**TEST #14 (Continued):**

**SCHEDULE K-1 (FORM 1065) #1 (Continued):**

**LINE C:** DOMESTIC  
**LINE D(i):** PROFIT SHARING 50.00000%  
LOSS SHARING 50.00000%  
OWNERSHIP OF CAPITAL 50.00000%  
**LINE D(ii):** PROFIT SHARING 50.00000%  
LOSS SHARING 50.00000%  
OWNERSHIP OF CAPITAL 50.00000%  
**LINE E:** CINCINNATI  
**LINE F:** OTHER 6500  
QUALIFIED RECOURSE FINANCING 126000  
**LINE J(a):** 270000  
**LINE J(b):** 0  
**LINE J(c):** 142646  
**LINE J(d):** 150000

**LINE 13 (STM 13)**

FORM 6765 - RESEARCH CREDIT 37750  
FORM 8820 - ORPHAN DRUG CREDIT 3158

**SCHEDULE K-1 (FORM 1065) #2:**

PARTNER'S IDENTIFYING NUMBER: 52-1140002  
PARTNER'S NAME: SABIN LIMITED PARTNERSHIP  
PARTNER'S ADDRESS: 25332 EAST ANY BLVD.  
ANY POINTE SHORES, MI 48138

**LINE A:** LIMITED PARTNER  
**LINE B:** PARTNERSHIP  
**LINE C:** DOMESTIC  
**LINE D(i):** PROFIT SHARING 50.00000%  
LOSS SHARING 50.00000%  
OWNERSHIP OF CAPITAL 50.00000%  
**LINE D(ii):** PROFIT SHARING 50.00000%  
LOSS SHARING 50.00000%  
OWNERSHIP OF CAPITAL 50.00000%  
**LINE E:** CINCINNATI  
**LINE F:** NONRECOURSE 6500  
QUALIFIED RECOURSE FINANCING 126000  
**LINE J(a):** 271609  
**LINE J(b):** 0  
**LINE J(c):** 142646  
**LINE J(d):** 150000

**LINE 13 (STM 14)**

FORM 6765 - RESEARCH CREDIT 37750  
FORM 8820 - ORPHAN DRUG CREDIT 3158

# U.S. Return of Partnership Income

OMB No. 1545-0099

For calendar year 2000, or tax year beginning \_\_\_\_\_, 2000, and ending \_\_\_\_\_, 20\_\_\_\_  
▶ See separate instructions.

**2000**

<b>A</b> Principal business activity <b>RESEARCH</b>	<b>Use the IRS label. Otherwise, please print or type.</b>	Name of partnership <b>PHARMACEUTICALS LTD PARTNERSHIP</b>	<b>D</b> Employer identification number <b>52 0000014</b>
<b>B</b> Principal product or service <b>PHARMACEUTICALS</b>		Number, street, and room or suite no. If a P.O. box, see page 12 of the instructions. <b>14 ANY STREET</b>	<b>E</b> Date business started <b>8/23/71</b>
<b>C</b> Business code number <b>541990</b>		City or town, state, and ZIP code <b>ANYTOWN, MI 48236</b>	<b>F</b> Total assets (see page 12 of the instructions) \$ <b>1,137,351</b>

**G** Check applicable boxes: (1)  Initial return (2)  Final return (3)  Change in address (4)  Amended return  
**H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_  
**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ 2

**Caution:** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

<b>Income</b>	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b>	<b>2,054,865</b>		
	<b>b</b> Less returns and allowances. . . . .	<b>1b</b>			<b>1c</b> <b>2,054,865</b>
	<b>2</b> Cost of goods sold (Schedule A, line 8) . . . . .	<b>2</b>			
	<b>3</b> Gross profit. Subtract line 2 from line 1c. . . . .	<b>3</b>		<b>2,054,865</b>	
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule). . . . .	<b>4</b>			
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .	<b>5</b>			
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 18. . . . .	<b>6</b>			
	<b>7</b> Other income (loss) (attach schedule). . . . .	<b>7</b>			
<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .	<b>8</b>		<b>2,054,865</b>		
<b>Deductions</b> (see page 14 of the instructions for limitations)	<b>9</b> Salaries and wages (other than to partners) (less employment credits). . . . .	<b>9</b>		<b>750,650</b>	
	<b>10</b> Guaranteed payments to partners . . . . .	<b>10</b>			
	<b>11</b> Repairs and maintenance . . . . .	<b>11</b>		<b>126,218</b>	
	<b>12</b> Bad debts . . . . .	<b>12</b>		<b>12,000</b>	
	<b>13</b> Rent . . . . .	<b>13</b>			
	<b>14</b> Taxes and licenses . . . . .	<b>14</b>		<b>130,000</b>	
	<b>15</b> Interest . . . . .	<b>15</b>		<b>20,000</b>	
	<b>16a</b> Depreciation (if required, attach Form 4562) . . . . .	<b>16a</b>	<b>16,750</b>		
	<b>b</b> Less depreciation reported on Schedule A and elsewhere on return	<b>16b</b>			<b>16c</b> <b>16,750</b>
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .	<b>17</b>			
	<b>18</b> Retirement plans, etc. . . . .	<b>18</b>		<b>12,540</b>	
	<b>19</b> Employee benefit programs . . . . .	<b>19</b>		<b>6,550</b>	
	<b>20</b> Other deductions (attach schedule) . . . . .	<b>20</b>		<b>685,500</b>	
<b>21 Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20 . . . . .	<b>21</b>		<b>1,760,208</b>		
<b>22 Ordinary income (loss)</b> from trade or business activities. Subtract line 21 from line 8 . . . . .	<b>22</b>		<b>294,657</b>		

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

**Please Sign Here**

Signature of general partner or limited liability company member \_\_\_\_\_ Date \_\_\_\_\_

**Paid Preparer's Use Only**

Preparer's signature \_\_\_\_\_ Date \_\_\_\_\_ Check if self-employed  Preparer's SSN or PTIN **001-99-0001**

Firm's name (or yours if self-employed), address, and ZIP code **ELECTRONIC TAX FILERS, INC.** EIN **52:0000099**

**100 TECO DRIVE RAIN TOWN, WA 98530** Phone no. ( ) \_\_\_\_\_

**Schedule A Cost of Goods Sold** (see page 17 of the instructions)

1	Inventory at beginning of year . . . . .	1		
2	Purchases less cost of items withdrawn for personal use . . . . .	2		
3	Cost of labor . . . . .	3		
4	Additional section 263A costs (attach schedule) . . . . .	4		
5	Other costs (attach schedule) . . . . .	5		
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6		
7	Inventory at end of year . . . . .	7		
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8		

- 9a Check all methods used for valuing closing inventory:
- (i)  Cost as described in Regulations section 1.471-3
  - (ii)  Lower of cost or market as described in Regulations section 1.471-4
  - (iii)  Other (specify method used and attach explanation) ▶ .....
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c). . . . ▶
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . ▶
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? . .  Yes  No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information**

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input type="checkbox"/> Domestic general partnership		
b <input checked="" type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶ .....		
2 Are any partners in this partnership also partnerships? . . . . .	X	
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment . . . . .		X
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see <b>Designation of Tax Matters Partner</b> below . . . . .		X
5 Does this partnership meet <b>all three</b> of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000; <b>and</b>		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 . . . . .		X
6 Does this partnership have any foreign partners? . . . . .		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? . . . . .		X
8 Has this partnership filed, or is it required to file, <b>Form 8264</b> , Application for Registration of a Tax Shelter? . . . . .		X
9 At any time during calendar year 2000, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 18 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶ .....		X
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 18 of the instructions . . . . .		X
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under <b>Elections Made By the Partnership</b> on page 7 of the instructions . . . . .		X
12 Enter the number of Forms 8865 attached to this return ▶ .....		0

**Designation of Tax Matters Partner** (see page 18 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶	<b>SALT RESEARCH, INC.</b>	Identifying number of TMP ▶	<b>52-1140001</b>
Address of designated TMP ▶	<b>2517 ANY BLVD. ANY POINTE, MI 48111</b>		

**Schedule K** Partners' Shares of Income, Credits, Deductions, etc.

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 22)	1	294,657
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):	4a	2,504
	a	Interest income	4b	2,156
	b	Ordinary dividends	4c	
	c	Royalty income	4d	
	d	Net short-term capital gain (loss) (attach Schedule D (Form 1065))		
	e	Net long-term capital gain (loss) (attach Schedule D (Form 1065)):		
	(1)	28% rate gain (loss)	4e(2)	
	(2)	Total for year		
f	Other portfolio income (loss) (attach schedule)	4f		
5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	16,025
	9	Section 179 expense deduction (attach Form 4562)	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12a(1)	
	(2)	Other than on line 12a(1) for property placed in service before 1990	12a(2)	
	(3)	From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12a(3)	
	(4)	Other than on line 12a(3) for property placed in service after 1989	12a(4)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
	d	Credits related to other rental activities	12d	
13	Other credits	13	81,816	
Investment Interest	14a	Interest expense on investment debts	14a	
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	4,660
	(2)	Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	2,054,865
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d (1)	Gross income from oil, gas, and geothermal properties	16d(1)	
	(2)	Deductions allocable to oil, gas, and geothermal properties	16d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession		
	b	Total gross income sourced at partner level	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
	(1)	U.S. source and listed categories	17c(3)	
	(2)	Passive		
	(3)	General limitation		
	d	Deductions allocated and apportioned at partner level:		
	(1)	Interest expense	17d(2)	
(2)	Other			
e	Deductions allocated and apportioned at partnership level (attach schedule):			
(1)	U.S. source and listed categories	17e(3)		
(2)	Passive			
(3)	General limitation			
f	Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17f		
g	Reduction in taxes available for credit (attach schedule)	17g		
Other	18	Section 59(e)(2) expenditures: a Type b Amount	18b	
	19	Tax-exempt interest income	19	2,000
	20	Other tax-exempt income	20	
	21	Nondeductible expenses	21	
	22	Distributions of money (cash and marketable securities)	22	300,000
	23	Distributions of property other than money	23	
	24	Other items and amounts required to be reported separately to partners (attach schedule)		

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17f, and 18b . . . . .						1	283,292
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners	141,646						
b Limited partners				141,646			

**Schedule L Balance Sheets per Books** (Not required if Question 5 on Schedule B is answered "Yes.")

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash . . . . .		85,241		88,000
2a Trade notes and accounts receivable . . . . .	125,474		130,522	
b Less allowance for bad debts . . . . .	1,060	124,414	2,015	128,507
3 Inventories . . . . .				
4 U.S. government obligations . . . . .				
5 Tax-exempt securities . . . . .		82,044		82,044
6 Other current assets (attach schedule) . . . . .		14,301		14,700
7 Mortgage and real estate loans . . . . .				
8 Other investments (attach schedule) . . . . .		129,000		129,000
9a Buildings and other depreciable assets . . . . .	850,000		850,000	
b Less accumulated depreciation . . . . .	214,500	635,500	231,250	618,750
10a Depletable assets . . . . .	75,000		75,000	
b Less accumulated depletion . . . . .		75,000		75,000
11 Land (net of any amortization) . . . . .				
12a Intangible assets (amortizable only). . . . .				
b Less accumulated amortization . . . . .				
13 Other assets (attach schedule) . . . . .		1,350		1,350
14 <b>Total assets</b> . . . . .		1,146,850		1,137,351
<b>Liabilities and Capital</b>				
15 Accounts payable . . . . .		102,568		120,450
16 Mortgages, notes, bonds payable in less than 1 year . . . . .		22,000		24,000
17 Other current liabilities (attach schedule) . . . . .		17,673		25,000
18 All nonrecourse loans . . . . .		13,000		13,000
19 Mortgages, notes, bonds payable in 1 year or more . . . . .		250,000		228,000
20 Other liabilities (attach schedule) . . . . .		200,000		200,000
21 Partners' capital accounts . . . . .		541,609		526,901
22 <b>Total liabilities and capital</b> . . . . .		1,146,850		1,137,351

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return** (Not required if Question 5 on Schedule B is answered "Yes." See page 29 of the instructions.)

1 Net income (loss) per books . . . . .	285,292	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): . . . . .		a Tax-exempt interest \$ . . . . .	2,000
3 Guaranteed payments (other than health insurance) . . . . .		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17f, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17f, and 18b (itemize):		a Depreciation \$ . . . . .	
a Depreciation \$ . . . . .		8 Add lines 6 and 7 . . . . .	2,000
b Travel and entertainment \$ . . . . .		9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 . . . . .	283,292
5 Add lines 1 through 4 . . . . .	285,292		

**Schedule M-2 Analysis of Partners' Capital Accounts** (Not required if Question 5 on Schedule B is answered "Yes.")

1 Balance at beginning of year . . . . .	541,609	6 Distributions: a Cash . . . . .	300,000	300,000
2 Capital contributed during year . . . . .		b Property . . . . .		
3 Net income (loss) per books . . . . .	285,292	7 Other decreases (itemize): . . . . .		
4 Other increases (itemize): . . . . .		8 Add lines 6 and 7 . . . . .		300,000
5 Add lines 1 through 4 . . . . .	826,901	9 Balance at end of year. Subtract line 8 from line 5 . . . . .		526,901



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 52-1140001

**Partnership's identifying number** ▶ 52:0000014

Partner's name, address, and ZIP code # 1  
SALK RESEARCH, INC  
2517 ANY BLVD.  
ANYPOINTE, MI 48111

Partnership's name, address, and ZIP code  
PHARMACEUTICALS LTD PARTNERSHIP  
14 ANY STREET  
ANYTOWN, MI 48236

- A This partner is a  general partner  limited partner  
 limited liability company member
- B What type of entity is this partner? ▶ CORPORATION
- C Is this partner a  domestic or a  foreign partner?
- D Enter partner's percentage of:
 

	(i) Before change or termination	(ii) End of year
Profit sharing . . . . .	50.0000 %	50.0000 %
Loss sharing . . . . .	50.0000 %	50.0000 %
Ownership of capital . . . . .	50.0000 %	50.0000 %
- E IRS Center where partnership filed return: CINCINNATI

- F Partner's share of liabilities (see instructions):
 

Nonrecourse . . . . .	\$ 6,500
Qualified nonrecourse financing . . . . .	\$ 126,000
Other . . . . .	\$ 345,450
- G Tax shelter registration number . . . . .
- H Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .
- I Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
270,000		142,646	( 150,000 )	262,646

	(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	1 Ordinary income (loss) from trade or business activities . . . . .	1	147,329	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2		
	3 Net income (loss) from other rental activities . . . . .	3		
	4 Portfolio income (loss):	4		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f)
	a Interest . . . . .	4a	1,252	
	b Ordinary dividends . . . . .	4b	1,078	
	c Royalties . . . . .	4c		
	d Net short-term capital gain (loss) . . . . .	4d		
	e Net long-term capital gain (loss):	e		
	(1) 28% rate gain (loss) . . . . .	e(1)		} Sch. D, line 12, col. (g) Sch. D, line 12, col. (f)
	(2) Total for year. . . . .	e(2)		
	f Other portfolio income (loss) (attach schedule) . . . . .	4f		} Enter on applicable line of your return.
	5 Guaranteed payments to partner . . . . .	5		
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6		} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
7 Other income (loss) (attach schedule) . . . . .	7			
<b>Deductions</b>	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8	8,013	} Sch. A, line 15 or 16 } See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	9 Section 179 expense deduction . . . . .	9		
	10 Deductions related to portfolio income (attach schedule) . . . . .	10		
	11 Other deductions (attach schedule) . . . . .	11		
<b>Credits</b>	12a Low-income housing credit:	12a		} Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)		
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)		
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)		
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)		
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b		} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c		
	d Credits related to other rental activities . . . . .	12d		
13 Other credits . . . . .	13	40,908		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:	
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1) 2,330		
		(2) Investment expenses included on line 10 . . . . .	b(2)		
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a	Sch. SE, Section A or B See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	b	Gross farming or fishing income . . . . .	15b		
	c	Gross nonfarm income . . . . .	15c 1,027,433		
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.	
	b	Adjusted gain or loss . . . . .	16b		
	c	Depletion (other than oil and gas) . . . . .	16c		
	d	(1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)		
	e	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)		
	e	Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶ . . . . .	17a	Form 1116, Part I  Form 1116, Part II  Form 1116, Part III and Instructions for Form 1116.	
	b	Total gross income sourced at partner level . . . . .	17b		
	c	Total gross income sourced at partnership level (attach schedule):			
		(1) U.S. source and listed categories . . . . .	17c(1)		
		(2) Passive . . . . .	17c(2)		
		(3) General limitation . . . . .	17c(3)		
	d	Deductions allocated and apportioned at partner level:			
		(1) Interest expense . . . . .	17d(1)		
		(2) Other . . . . .	17d(2)		
	e	Deductions allocated and apportioned at partnership level (attach schedule):			
		(1) U.S. source and listed categories . . . . .	17e(1)		
	(2) Passive . . . . .	17e(2)			
	(3) General limitation . . . . .	17e(3)			
f	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f			
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .				
Other	18	Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	b	Amount . . . . .	18b		
	19	Tax-exempt interest income . . . . .	19 1,000	Form 1040, line 8b	
	20	Other tax-exempt income . . . . .	20	See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).	
	21	Non-deductible expenses . . . . .	21		
	22	Distributions of money (cash and marketable securities) . . . . .	22 150,000		
	23	Distributions of property other than money . . . . .	23	Form 8611, line 8	
24	Recapture of low-income housing credit:				
a	From section 42(j)(5) partnerships . . . . .	24a			
b	Other than on line 24a . . . . .	24b			
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):			
		LINE 8 - CHARITABLE CONTRIBUTIONS		LINE 13- OTHER CREDITS	
		WHITMAN -WALKER CLINIC	625	FORM 6765 RESEARCH CREDIT	37,750
		THE POLIO FOUNDATION	6,288	FORM 8820 - ORPHAN DRUG CREDIT	3,158
		CYSTIC-FIBROSIS SOCIETY	1,100	TOTAL	40,908
		TOTAL	8,013		
		ITEM J (C) - CAPITAL ACCOUNT ADJUSTMENTS:			
		ORDINARY INCOME (LOSS)		147,329	
		ORDINARY DIVIDENDS		1,252	
		INTEREST INCOME		1,078	
	CHARITABLE CONTRIBUTIONS		(8,013)		
	TAX-EXEMPT INTEREST INCOME		1,000		
	TOTAL		142,646		



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

Partner's identifying number ▶ **52-1140002**

Partnership's identifying number ▶ **52:0000014**

Partner's name, address, and ZIP code #2

**SABIN LIMITED PARTNERSHIP  
25332 EAST ANY BLVD.  
ANY POINT SHORES, MI 48138**

Partnership's name, address, and ZIP code

**PHARMACEUTICALS LTD PARTNERSHIP  
14 ANY STREET  
ANYTOWN, MI 48236**

- A** This partner is a  general partner  limited partner  
 limited liability company member
- B** What type of entity is this partner? ▶ **PARTNERSHIP**
- C** Is this partner a  domestic or a  foreign partner?
- D** Enter partner's percentage of:
- |                                |                                  |                  |
|--------------------------------|----------------------------------|------------------|
|                                | (i) Before change or termination | (ii) End of year |
| Profit sharing . . . . .       | <b>50.0000</b> %                 | <b>50.0000</b> % |
| Loss sharing . . . . .         | <b>50.0000</b> %                 | <b>50.0000</b> % |
| Ownership of capital . . . . . | <b>50.0000</b> %                 | <b>50.0000</b> % |
- E** IRS Center where partnership filed return: **CINCINNATI**

- F** Partner's share of liabilities (see instructions):
- |   |    |                |
|---|----|----------------|
| Nonrecourse . . . . .                     | \$ | <b>6,500</b>   |
| Qualified nonrecourse financing . . . . . | \$ | <b>126,000</b> |
| Other . . . . .                           | \$ |                |
- G** Tax shelter registration number . . . . .
- H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .
- I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
<b>271,609</b>		<b>142,646</b>	<b>( 150,000 )</b>	<b>264,255</b>

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	<b>1</b> Ordinary income (loss) from trade or business activities . . . . .	<b>1</b> <b>147,328</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>2</b> Net income (loss) from rental real estate activities . . . . .	<b>2</b>	
	<b>3</b> Net income (loss) from other rental activities . . . . .	<b>3</b>	
	<b>4</b> Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	<b>a</b> Interest . . . . .	<b>4a</b> <b>1,252</b>	
	<b>b</b> Ordinary dividends . . . . .	<b>4b</b> <b>1,078</b>	
	<b>c</b> Royalties . . . . .	<b>4c</b>	
	<b>d</b> Net short-term capital gain (loss) . . . . .	<b>4d</b>	
	<b>e</b> Net long-term capital gain (loss):		
	<b>(1)</b> 28% rate gain (loss) . . . . .	<b>e(1)</b>	
	<b>(2)</b> Total for year. . . . .	<b>e(2)</b>	
	<b>f</b> Other portfolio income (loss) (attach schedule) . . . . .	<b>4f</b>	
	<b>5</b> Guaranteed payments to partner . . . . .	<b>5</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065). Enter on applicable line of your return.
<b>6</b> Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	<b>6</b>		
<b>7</b> Other income (loss) (attach schedule) . . . . .	<b>7</b>		
<b>Deductions</b>	<b>8</b> Charitable contributions (see instructions) (attach schedule) . . . . .	<b>8</b> <b>8,012</b>	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>9</b> Section 179 expense deduction . . . . .	<b>9</b>	
	<b>10</b> Deductions related to portfolio income (attach schedule) . . . . .	<b>10</b>	
	<b>11</b> Other deductions (attach schedule) . . . . .	<b>11</b>	
<b>Credits</b>	<b>12a</b> Low-income housing credit:		} Form 8586, line 5
	<b>(1)</b> From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	<b>a(1)</b>	
	<b>(2)</b> Other than on line 12a(1) for property placed in service before 1990 . . . . .	<b>a(2)</b>	
	<b>(3)</b> From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	<b>a(3)</b>	
	<b>(4)</b> Other than on line 12a(3) for property placed in service after 1989 . . . . .	<b>a(4)</b>	
	<b>b</b> Qualified rehabilitation expenditures related to rental real estate activities . . . . .	<b>12b</b>	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>c</b> Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	<b>12c</b>	
	<b>d</b> Credits related to other rental activities . . . . .	<b>12d</b>	
<b>13</b> Other credits . . . . .	<b>13</b> <b>40,908</b>		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1) 2,330	
	b (2)	Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a	Sch. SE, Section A or B See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Gross farming or fishing income . . . . .	15b	
	c	Gross nonfarm income . . . . .	15c 1,027,432	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b	Adjusted gain or loss . . . . .	16b	
	c	Depletion (other than oil and gas) . . . . .	16c	
	d (1)	Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	d (2)	Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
e	Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶ . . . . .	17a	Form 1116, Part I
	b	Total gross income sourced at partner level . . . . .	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
	(1)	U.S. source and listed categories . . . . .	17c(1)	
	(2)	Passive . . . . .	17c(2)	
	(3)	General limitation . . . . .	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
	(1)	Interest expense . . . . .	17d(1)	
	(2)	Other . . . . .	17d(2)	
	e	Deductions allocated and apportioned at partnership level (attach schedule):		
(1)	U.S. source and listed categories . . . . .	17e(1)		
(2)	Passive . . . . .	17e(2)		
(3)	General limitation . . . . .	17e(3)		
f	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f	Form 1116, Part II	
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .		Form 1116, Part III and Instructions for Form 1116.	
Other	18	Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Amount . . . . .	18b	
	19	Tax-exempt interest income . . . . .	19 1,000	Form 1040, line 8b
	20	Other tax-exempt income . . . . .	20	See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	21	Nondeductible expenses . . . . .	21	
	22	Distributions of money (cash and marketable securities) . . . . .	22 150,000	
	23	Distributions of property other than money . . . . .	23	Form 8611, line 8
24	Recapture of low-income housing credit:			
a	From section 42(j)(5) partnerships . . . . .	24a		
b	Other than on line 24a . . . . .	24b		
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
		<u>LINE 8 - CHARITABLE CONTRIBUTIONS</u>	<u>LINE 13- OTHER CREDITS</u>	
		WHITMAN -WALKER CLINIC 625	FORM 6765 - RESEARCH CREDIT	37,750
		THE POLIO FOUNDATION 6,287	FORM 8820 - ORPHAN DRUG CREDIT	3,158
		CYSTIC-FIBROSIS SOCITEY 1.100	TOTAL	40,908
		TOTAL 8.012		
		ITEM J (C) CAPITAL ACCOUNT ADJUSTMENTS:		
		ORDINARY INCOME (LOSS)	147,328	
		INTEREST INCOME	1,252	
		ORDINARY DIVIDENDS	1,078	
	CHARITABLE CONTRIBUTIONS	(8,012)		
	TAX-EXEMPT INTEREST INCOME	1,000		
	TOTAL	142,646		



**TEST #15**

**FORMS REQUIRED: 1065, 4562, 5884, 2 K-1s (1065)**

**FORM 1065, PAGE 1: IDENTIFYING INFORMATION**

**NAME OF PARTNERSHIP:**

AUTHORS UNLIMITED  
15 ANY STREET  
ANYTOWN, GA 64521

**NAME OF PREPARER:**

ELECTRONIC TAX FILERS, INC.  
100 TECHO DRIVE  
RAINTOWN, WA 98530  
EIN: 52-0000099  
PREPARER SNN: 001-99-0001

**FORM 1065, PAGE 1:**

**LINE A:** LITERARY AGENTS  
**LINE B:** BOOK SALES  
**LINE C:** 541990  
**LINE D:** 52-0000015  
**LINE E:** 06/01/89  
**LINE G(3):** X  
**LINE H(1):** X  
**LINE 1a:** 195000  
**LINE 9:** 84000 (90000: 84000 TO FORM 1065, PAGE 1,  
6000 TO FORM 5884)  
**LINE 11:** 500  
**LINE 13:** 5000  
**LINE 14:** 7600  
**LINE 20 - OTHER DEDUCTIONS (STM 01):**  
BANK CHARGES 30  
MEALS & ENTERTAINMENT 5000  
(2500 (50%) TO FORM 1065, PAGE 1; 2500 (50%) DISALLOWED,  
TO SCHEDULE M-1, LINE 4B)  
ROYALTIES PAID TO AUTHORS 77500  
OFFICE & ADMINISTRATIVE 500  
TELEPHONE 1500  
POSTAGE 300

**TEST #15 (Continued):**

**FORM 1065, PAGE 2, SCHEDULE A:**

**LINE 9(d):** NO  
**LINE 9(e):** NO

**FORM 1065, PAGE 2, SCHEDULE B:**

**LINE 1a:** X  
**LINE 2:** NO  
**LINE 3:** NO  
**LINE 4:** NO  
**LINE 5:** YES  
**LINE 6:** NO  
**LINE 7:** NO  
**LINE 8:** NO  
**LINE 9:** NO  
**LINE 10:** NO  
**LINE 11:** NO  
**LINE 12:** 0

**FORM 1065, PAGE 2 (DESIGNATION OF TAX MATTERS PARTNER):**

**NAME OF DESIGNATED TMP:** LINDA BOOKS  
**IDENTIFYING NUMBER OF TMP:** 001-15-0001  
**ADDRESS OF DESIGNATED TMP:** 100 PATRIOT'S WAY  
ANYTOWN, GA 45641

**FORM 1065, PAGE 3, SCHEDULE K:**

**LINE 16a:** 250

**FORM 1065, PAGE 4, SCHEDULE L:**

**LINE 1(b):** 25000  
**LINE 1(d):** 4653  
**LINE 9a(a):** 10000  
**LINE 9a(c):** 15000  
**LINE 9b(a):** 10000  
**LINE 9b(c):** 11000  
**LINE 17(b):** 5000  
**LINE 17(d) (STM 02):**  
VARIOUS 2583

**TEST #15 (Continued):**

**FORM 1065, PAGE 4, SCHEDULE M-1:**

**LINE 1:** 6070  
**LINE 4b:**  
TRAVEL AND ENTERTAINMENT 2500  
SEE SCH M-1, LINE 4 6000

**FORM 1065, PAGE 4, SCHEDULE M-2:**

**LINE 1:** 20000  
**LINE 3:** 6070  
**LINE 6b:** 20000

**FORM 4562:**

**ACTIVITY TO WHICH THIS FORM RELATES:**  
**FORM 1065, PAGE 1, LINE 22**

**FORM 4562 - GENERAL FIXED ASSET INFORMATION:**

**ASSET #1:**  
COMPUTER SYSTEM  
PLACED IN SERVICE: 05/05/99  
COST: 5000  
MACRS 200DB MQ 5 YR

**FORM 4562 - PART II:**

**LINE 15(c):** 5000  
**LINE 15(d):** 5.0 YRS  
**LINE 15(e):** HY  
**LINE 15(f):** 200DB

**FORM 4562, PART V, SECTION C:**

**LINE 35** NO  
**LINE 36** NO  
**LINE 37** NO  
**LINE 38** NO  
**LINE 39** NO

**TEST #15 (Continued):**

**FORM 5884:**

**ACTIVITY TO WHICH THIS FORM RELATES:**

**FORM 1065, PAGE 3, LINE 13**

**LINE 1(b):** 15000

**SCHEDULE K-1 (FORM 1065), #1:**

PARTNER'S IDENTIFICATION NUMBER: 001-15-0001

PARTNER'S NAME: LINDA BOOKS

PARTNER'S ADDRESS: 100 PATRIOT'S WAY  
ANYTOWN, GA 45641

**LINE A:** GENERAL PARTNER

**LINE B:** INDIVIDUAL

**LINE C:** DOMESTIC

**LINE D(i):** BEFORE CHANGE OR TERMINATION:

PROFIT SHARING 50.00000%

LOSS SHARING 50.00000%

OWNERSHIP OF CAPITAL 50.00000%

**LINE D(ii):** END OF YEAR:

PROFIT SHARING 50.00000%

LOSS SHARING 50.00000%

OWNERSHIP OF CAPITAL 50.00000%

**LINE E:** ATLANTA, GA.

**LINE F:** OTHER 1291

**LINE J(a):** 10000

**LINE J(b):** 0

**LINE J(c):** 3035

**LINE J(d):** 10000

**SCHEDULE K-1 (FORM 1065), #2:**

PARTNER'S IDENTIFICATION NUMBER: 001-15-0002

PARTNER'S NAME: MICHAEL PAPIER

PARTNER'S ADDRESS: 1 ANY TREE DRIVE  
ANYHAM, GA 45641

**LINE A:** GENERAL PARTNER

**LINE B:** INDIVIDUAL

**LINE C:** DOMESTIC

**LINE D(i):** BEFORE CHANGE OR TERMINATION:

PROFIT SHARING 50.00000%

LOSS SHARING 50.00000%

**TEST #15 (Continued):**

**SCHEDULE K-1 (FORM 1065), #2 (Continued):**

<b>LINE D(i):</b>	OWNERSHIP OF CAPITAL	50.00000%
<b>LINE D(ii):</b>	END OF YEAR:	
	PROFIT SHARING	50.00000%
	LOSS SHARING	50.00000%
	OWNERSHIP OF CAPITAL	50.00000%
<b>LINE E:</b>	ATLANTA, GA.	
<b>LINE F:</b>	OTHER	1292
<b>LINE J(a):</b>	10000	
<b>LINE J(b):</b>	0	
<b>LINE J(c):</b>	3035	
<b>LINE J(d):</b>	10000	

# U.S. Return of Partnership Income

OMB No. 1545-0099

For calendar year 2000, or tax year beginning \_\_\_\_\_, 2000, and ending \_\_\_\_\_, 20\_\_\_\_  
▶ See separate instructions.

**2000**

<b>A</b> Principal business activity <b>LITERARY AGENTS</b>	<b>Use the IRS label. Otherwise, please print or type.</b>	Name of partnership <b>AUTHORS UNLIMITED</b>	<b>D</b> Employer identification number <b>52:0000015</b>
<b>B</b> Principal product or service <b>BOOK SALES</b>		Number, street, and room or suite no. If a P.O. box, see page 12 of the instructions. <b>15 ANY STREET</b>	<b>E</b> Date business started <b>6/01/89</b>
<b>C</b> Business code number <b>541990</b>		City or town, state, and ZIP code <b>ANYTOWN, GA 64521</b>	<b>F</b> Total assets (see page 12 of the instructions) <b>\$ 8,653</b>

**G** Check applicable boxes: (1)  Initial return (2)  Final return (3)  Change in address (4)  Amended return  
**H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_  
**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ 2

**Caution:** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

<b>Income</b>	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b>	<b>195,000</b>			
	<b>b</b> Less returns and allowances. . . . .	<b>1b</b>			<b>1c</b>	<b>195,000</b>
	<b>2</b> Cost of goods sold (Schedule A, line 8) . . . . .	<b>2</b>				
	<b>3</b> Gross profit. Subtract line 2 from line 1c. . . . .	<b>3</b>				<b>195,000</b>
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule). . . . .	<b>4</b>				
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .	<b>5</b>				
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 18. . . . .	<b>6</b>				
	<b>7</b> Other income (loss) (attach schedule). . . . .	<b>7</b>				
<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .	<b>8</b>					<b>195,000</b>
<b>Deductions</b> (see page 14 of the instructions for limitations)	<b>9</b> Salaries and wages (other than to partners) (less employment credits). . . . .	<b>9</b>				<b>84,000</b>
	<b>10</b> Guaranteed payments to partners . . . . .	<b>10</b>				
	<b>11</b> Repairs and maintenance . . . . .	<b>11</b>				<b>500</b>
	<b>12</b> Bad debts . . . . .	<b>12</b>				
	<b>13</b> Rent . . . . .	<b>13</b>				<b>5,000</b>
	<b>14</b> Taxes and licenses . . . . .	<b>14</b>				<b>7,600</b>
	<b>15</b> Interest . . . . .	<b>15</b>				
	<b>16a</b> Depreciation (if required, attach Form 4562) . . . . .	<b>16a</b>	<b>1,000</b>			
	<b>b</b> Less depreciation reported on Schedule A and elsewhere on return	<b>16b</b>				<b>1,000</b>
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .	<b>17</b>				
	<b>18</b> Retirement plans, etc. . . . .	<b>18</b>				
	<b>19</b> Employee benefit programs . . . . .	<b>19</b>				
	<b>20</b> Other deductions (attach schedule) . . . . .	<b>20</b>				<b>82,330</b>
<b>21 Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20 . . . . .	<b>21</b>					<b>180,430</b>
<b>22 Ordinary income (loss)</b> from trade or business activities. Subtract line 21 from line 8 . . . . .	<b>22</b>					<b>14,570</b>

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

**Please Sign Here**

Signature of general partner or limited liability company member \_\_\_\_\_ Date \_\_\_\_\_

**Paid Preparer's Use Only**

Preparer's signature \_\_\_\_\_ Date \_\_\_\_\_ Check if self-employed  Preparer's SSN or PTIN **001-99-0001**

Firm's name (or yours if self-employed), address, and ZIP code **ELECTRONIC TAX FILERS, INC.** EIN **52:0000099**  
**100 TECO DRIVE RAIN TOWN, WA 98530** Phone no. ( ) \_\_\_\_\_

**Schedule A Cost of Goods Sold** (see page 17 of the instructions)

1	Inventory at beginning of year . . . . .	1		
2	Purchases less cost of items withdrawn for personal use . . . . .	2		
3	Cost of labor . . . . .	3		
4	Additional section 263A costs (attach schedule) . . . . .	4		
5	Other costs (attach schedule) . . . . .	5		
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6		
7	Inventory at end of year . . . . .	7		
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8		

- 9a Check all methods used for valuing closing inventory:
- (i)  Cost as described in Regulations section 1.471-3
  - (ii)  Lower of cost or market as described in Regulations section 1.471-4
  - (iii)  Other (specify method used and attach explanation) ▶ .....
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c). . . . ▶
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . ▶
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? . .  Yes  No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information**

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input type="checkbox"/> Domestic general partnership		
b <input type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶ .....		
2 Are any partners in this partnership also partnerships? . . . . .		X
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment . . . . .		X
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see <b>Designation of Tax Matters Partner</b> below . . . . .		X
5 Does this partnership meet <b>all three</b> of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000; <b>and</b>		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 . . . . .	X	
6 Does this partnership have any foreign partners? . . . . .		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? . . . . .		X
8 Has this partnership filed, or is it required to file, <b>Form 8264</b> , Application for Registration of a Tax Shelter? . . . . .		X
9 At any time during calendar year 2000, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 18 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶ .....		X
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 18 of the instructions . . . . .		X
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under <b>Elections Made By the Partnership</b> on page 7 of the instructions . . . . .		X
12 Enter the number of Forms 8865 attached to this return ▶ .....		0

**Designation of Tax Matters Partner** (see page 18 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶	<b>LINDA BOOKS</b>	Identifying number of TMP ▶	<b>001-15-0001</b>
Address of designated TMP ▶	<b>100 PATRIOT'S WAY</b>		
	<b>ANYTOWN, GA 45641</b>		

**Schedule K Partners' Shares of Income, Credits, Deductions, etc.**

		(a) Distributive share items	(b) Total amount		
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 22)	1	14,570	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2		
	3a	Gross income from other rental activities	3a		
		b	Expenses from other rental activities (attach schedule)	3b	
	c		Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):			
		a	Interest income	4a	
		b	Ordinary dividends	4b	
		c	Royalty income	4c	
		d	Net short-term capital gain (loss) (attach Schedule D (Form 1065))	4d	
		e	Net long-term capital gain (loss) (attach Schedule D (Form 1065)):		
		(1) 28% rate gain (loss) (2) Total for year	4e(2)		
	f	Other portfolio income (loss) (attach schedule)	4f		
5	Guaranteed payments to partners	5			
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6			
7	Other income (loss) (attach schedule)	7			
Deductions	8	Charitable contributions (attach schedule)	8		
	9	Section 179 expense deduction (attach Form 4562)	9		
	10	Deductions related to portfolio income (itemize)	10		
	11	Other deductions (attach schedule)	11		
Credits	12a	Low-income housing credit:			
		(1) From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12a(1)		
		(2) Other than on line 12a(1) for property placed in service before 1990	12a(2)		
		(3) From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12a(3)		
		(4) Other than on line 12a(3) for property placed in service after 1989	12a(4)		
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b		
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c		
	d	Credits related to other rental activities	12d		
13	Other credits	13	6,000		
Investment Interest	14a	Interest expense on investment debts	14a		
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)		
		(2) Investment expenses included on line 10 above	14b(2)		
Self-Employment	15a	Net earnings (loss) from self-employment	15a	14,570	
	b	Gross farming or fishing income	15b		
	c	Gross nonfarm income	15c	195,000	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	250	
	b	Adjusted gain or loss	16b		
	c	Depletion (other than oil and gas)	16c		
	d	(1) Gross income from oil, gas, and geothermal properties	16d(1)		
		(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)		
	e	Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a	Name of foreign country or U.S. possession			
	b	Total gross income sourced at partner level	17b		
	c	Total gross income sourced at partnership level (attach schedule):			
		(1) U.S. source and listed categories (2) Passive (3) General limitation	17c(3)		
		d	Deductions allocated and apportioned at partner level:		
		(1) Interest expense (2) Other	17d(2)		
	e	Deductions allocated and apportioned at partnership level (attach schedule):			
		(1) U.S. source and listed categories (2) Passive (3) General limitation	17e(3)		
f	Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17f			
g	Reduction in taxes available for credit (attach schedule)	17g			
Other	18	Section 59(e)(2) expenditures: a Type b Amount	18b		
	19	Tax-exempt interest income	19		
	20	Other tax-exempt income	20		
	21	Nondeductible expenses	21	8,500	
	22	Distributions of money (cash and marketable securities)	22	20,000	
	23	Distributions of property other than money	23		
	24	Other items and amounts required to be reported separately to partners (attach schedule)			

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17f, and 18b . . . . .						1	14,570
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners		14,570					
b Limited partners							

**Schedule L Balance Sheets per Books** (Not required if Question 5 on Schedule B is answered "Yes.")

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash . . . . .		25,000		4,653
2a Trade notes and accounts receivable . . . . .				
b Less allowance for bad debts . . . . .				
3 Inventories . . . . .				
4 U.S. government obligations . . . . .				
5 Tax-exempt securities . . . . .				
6 Other current assets (attach schedule) . . . . .				
7 Mortgage and real estate loans . . . . .				
8 Other investments (attach schedule) . . . . .				
9a Buildings and other depreciable assets . . . . .	10,000		15,000	
b Less accumulated depreciation . . . . .	10,000		11,000	4,000
10a Depletable assets . . . . .				
b Less accumulated depletion . . . . .				
11 Land (net of any amortization) . . . . .				
12a Intangible assets (amortizable only). . . . .				
b Less accumulated amortization . . . . .				
13 Other assets (attach schedule) . . . . .				
14 <b>Total assets</b> . . . . .		25,000		8,653
<b>Liabilities and Capital</b>				
15 Accounts payable . . . . .				
16 Mortgages, notes, bonds payable in less than 1 year . . . . .				
17 Other current liabilities (attach schedule) . . . . .		5,000		2,583
18 All nonrecourse loans . . . . .				
19 Mortgages, notes, bonds payable in 1 year or more . . . . .				
20 Other liabilities (attach schedule) . . . . .				
21 Partners' capital accounts . . . . .		20,000		6,070
22 <b>Total liabilities and capital</b> . . . . .		25,000		8,653

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return** (Not required if Question 5 on Schedule B is answered "Yes." See page 29 of the instructions.)

1 Net income (loss) per books . . . . .	6,070	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): . . . . .		a Tax-exempt interest \$ . . . . .	
3 Guaranteed payments (other than health insurance) . . . . .		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17f, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17f, and 18b (itemize):		a Depreciation \$ . . . . .	
a Depreciation \$ . . . . .		8 Add lines 6 and 7 . . . . .	
b Travel and entertainment \$ 2,500 . . . . .	8,500	9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 . . . . .	14,570
5 Add lines 1 through 4 . . . . .	14,570		

**Schedule M-2 Analysis of Partners' Capital Accounts** (Not required if Question 5 on Schedule B is answered "Yes.")

1 Balance at beginning of year . . . . .	20,000	6 Distributions: a Cash . . . . .	20,000
2 Capital contributed during year . . . . .		b Property . . . . .	
3 Net income (loss) per books . . . . .	6,070	7 Other decreases (itemize): . . . . .	
4 Other increases (itemize): . . . . .		8 Add lines 6 and 7 . . . . .	20,000
5 Add lines 1 through 4 . . . . .	26,070	9 Balance at end of year. Subtract line 8 from line 5 . . . . .	6,070



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-15-0001

**Partnership's identifying number** ▶ 52:0000015

Partner's name, address, and ZIP code # 1  
LINDA BOOKS  
100 PATRIOT'S WAY  
ANYTOWN, GA 45641

Partnership's name, address, and ZIP code  
AUTHORS UNLIMITED  
15 ANY STREET  
ANYTOWN, GA 64521

**A** This partner is a  general partner  limited partner  
 limited liability company member

**B** What type of entity is this partner? ▶ INDIVIDUAL

**C** Is this partner a  domestic or a  foreign partner?

**D** Enter partner's percentage of:

	(i) Before change or termination	(ii) End of year
Profit sharing . . . . .	50.0000 %	50.0000 %
Loss sharing . . . . .	50.0000 %	50.0000 %
Ownership of capital . . . . .	50.0000 %	50.0000 %

**E** IRS Center where partnership filed return: ATLANTA

**F** Partner's share of liabilities (see instructions):

Nonrecourse . . . . .	\$	.....
Qualified nonrecourse financing . . . . .	\$	.....
Other . . . . .	\$	1.291

**G** Tax shelter registration number . . . . .

**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .

**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
10,000		3,035	( 10,000 )	3,035

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	1 Ordinary income (loss) from trade or business activities . . . . .	1 7,285	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2	
	3 Net income (loss) from other rental activities . . . . .	3	
	4 Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f)
	a Interest . . . . .	4a	
	b Ordinary dividends . . . . .	4b	
	c Royalties . . . . .	4c	
	d Net short-term capital gain (loss) . . . . .	4d	
	e Net long-term capital gain (loss):		
	(1) 28% rate gain (loss) . . . . .	e(1)	Sch. D, line 12, col. (g)
	(2) Total for year. . . . .	e(2)	Sch. D, line 12, col. (f)
	f Other portfolio income (loss) (attach schedule) . . . . .	4f	Enter on applicable line of your return.
	5 Guaranteed payments to partner . . . . .	5	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6		
7 Other income (loss) (attach schedule) . . . . .	7	Enter on applicable line of your return.	
<b>Deductions</b>	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8	Sch. A, line 15 or 16
	9 Section 179 expense deduction . . . . .	9	} See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	10 Deductions related to portfolio income (attach schedule) . . . . .	10	
	11 Other deductions (attach schedule) . . . . .	11	
<b>Credits</b>	12a Low-income housing credit:		} Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
	d Credits related to other rental activities . . . . .	12d	
13 Other credits . . . . .	13 3,000		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1)	
		(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Gross farming or fishing income . . . . .	15b	
	c	Gross nonfarm income . . . . .	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b	Adjusted gain or loss . . . . .	16b	
	c	Depletion (other than oil and gas) . . . . .	16c	
	d	(1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	e	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶ . . . . .	17a	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.
	b	Total gross income sourced at partner level . . . . .	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
		(1) U.S. source and listed categories . . . . .	17c(1)	
		(2) Passive . . . . .	17c(2)	
		(3) General limitation . . . . .	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
		(1) Interest expense . . . . .	17d(1)	
		(2) Other . . . . .	17d(2)	
	e	Deductions allocated and apportioned at partnership level (attach schedule):		
	(1) U.S. source and listed categories . . . . .	17e(1)		
	(2) Passive . . . . .	17e(2)		
	(3) General limitation . . . . .	17e(3)		
f	Total foreign taxes (check one): ▶ <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	18	Section 59(e)(2) expenditures: a Type ▶ . . . . .		} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Amount . . . . .	18b	
	19	Tax-exempt interest income . . . . .	19	Form 1040, line 8b
	20	Other tax-exempt income . . . . .	20	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	21	Nondeductible expenses . . . . .	21	
	22	Distributions of money (cash and marketable securities) . . . . .	22	
	23	Distributions of property other than money . . . . .	23	} Form 8611, line 8
24	Recapture of low-income housing credit:			
a	From section 42(j)(5) partnerships . . . . .	24a		
b	Other than on line 24a . . . . .	24b		
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
		<b>LINE 13 - OTHER CREDITS:</b>		
		FORM 5884 - WORK OPPORTUNITY CREDIT	3,000	
		TOTAL	3,000	
		-----		
		<b>ITEM J(C) - CAPITAL ACCOUNT ADJUSTMENTS:</b>		
		ORDINARY INCOME (LOSS)	7,285	
		NONDEDUCTIBLE EXPENSES	(4,250)	
		TOTAL	3,035	
		-----		
	-----			



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

Partner's identifying number ▶ **001-15-0002**

Partnership's identifying number ▶ **52:0000015**

Partner's name, address, and ZIP code # **2**  
**MICHAEL PAPIER**  
**1 ANY TREE DRIVE**  
**ANYTOWN, GA 45641**

Partnership's name, address, and ZIP code  
**AUTHORS UNLIMITED**  
**15 ANY STREET**  
**ANYTOWN, GA 64521**

**A** This partner is a  general partner  limited partner  
 limited liability company member

**B** What type of entity is this partner? ▶ **INDIVIDUAL**

**C** Is this partner a  domestic or a  foreign partner?

**D** Enter partner's percentage of:  
 (i) Before change or termination (ii) End of year  
 Profit sharing . . . . . **50.0000** % **50.0000** %  
 Loss sharing . . . . . **50.0000** % **50.0000** %  
 Ownership of capital . . . . . **50.0000** % **50.0000** %

**E** IRS Center where partnership filed return: **ATLANTA**

**F** Partner's share of liabilities (see instructions):  
 Nonrecourse . . . . . \$ .....  
 Qualified nonrecourse financing . . . . . \$ .....  
 Other . . . . . \$ **1,292**

**G** Tax shelter registration number . . . . . ▶ .....

**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .

**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
<b>10,000</b>		<b>3,035</b>	( <b>10,000</b> )	<b>3,035</b>

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	<b>1</b> Ordinary income (loss) from trade or business activities . . . . .	<b>1</b> <b>7,285</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>2</b> Net income (loss) from rental real estate activities . . . . .	<b>2</b>	
	<b>3</b> Net income (loss) from other rental activities . . . . .	<b>3</b>	
	<b>4</b> Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f)
	<b>a</b> Interest . . . . .	<b>4a</b>	
	<b>b</b> Ordinary dividends . . . . .	<b>4b</b>	
	<b>c</b> Royalties . . . . .	<b>4c</b>	
	<b>d</b> Net short-term capital gain (loss) . . . . .	<b>4d</b>	
	<b>e</b> Net long-term capital gain (loss):		
	<b>(1)</b> 28% rate gain (loss) . . . . .	<b>e(1)</b>	} Sch. D, line 12, col. (g) Sch. D, line 12, col. (f)
	<b>(2)</b> Total for year. . . . .	<b>e(2)</b>	
<b>f</b> Other portfolio income (loss) (attach schedule) . . . . .	<b>4f</b>	} Enter on applicable line of your return.	
<b>5</b> Guaranteed payments to partner . . . . .	<b>5</b>		
<b>6</b> Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	<b>6</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
<b>7</b> Other income (loss) (attach schedule) . . . . .	<b>7</b>		
<b>Deductions</b>	<b>8</b> Charitable contributions (see instructions) (attach schedule) . . . . .	<b>8</b>	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>9</b> Section 179 expense deduction . . . . .	<b>9</b>	
	<b>10</b> Deductions related to portfolio income (attach schedule) . . . . .	<b>10</b>	
	<b>11</b> Other deductions (attach schedule) . . . . .	<b>11</b>	
<b>Credits</b>	<b>12a</b> Low-income housing credit:		} Form 8586, line 5
	<b>(1)</b> From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	<b>a(1)</b>	
	<b>(2)</b> Other than on line 12a(1) for property placed in service before 1990 . . . . .	<b>a(2)</b>	
	<b>(3)</b> From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	<b>a(3)</b>	
	<b>(4)</b> Other than on line 12a(3) for property placed in service after 1989 . . . . .	<b>a(4)</b>	
	<b>b</b> Qualified rehabilitation expenditures related to rental real estate activities . . . . .	<b>12b</b>	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>c</b> Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	<b>12c</b>	
	<b>d</b> Credits related to other rental activities . . . . .	<b>12d</b>	
<b>13</b> Other credits . . . . .	<b>13</b> <b>3,000</b>		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	<b>14a</b>	Interest expense on investment debts . . . . .	<b>14a</b>	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>b (1)</b>	(1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	<b>b(1)</b>	
	<b>b(2)</b>	(2) Investment expenses included on line 10 . . . . .	<b>b(2)</b>	
Self-employment	<b>15a</b>	Net earnings (loss) from self-employment . . . . .	<b>15a</b>	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>b</b>	Gross farming or fishing income . . . . .	<b>15b</b>	
	<b>c</b>	Gross nonfarm income . . . . .	<b>15c</b>	
Adjustments and Tax Preference Items	<b>16a</b>	Depreciation adjustment on property placed in service after 1986 . . . . .	<b>16a</b>	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	<b>b</b>	Adjusted gain or loss . . . . .	<b>16b</b>	
	<b>c</b>	Depletion (other than oil and gas) . . . . .	<b>16c</b>	
	<b>d (1)</b>	(1) Gross income from oil, gas, and geothermal properties . . . . .	<b>d(1)</b>	
	<b>d(2)</b>	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	<b>d(2)</b>	
<b>e</b>	Other adjustments and tax preference items ( <i>attach schedule</i> ) . . . . .	<b>16e</b>		
Foreign Taxes	<b>17a</b>	Name of foreign country or U.S. possession ▶ . . . . .	<b>17a</b>	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.
	<b>b</b>	Total gross income sourced at partner level . . . . .	<b>17b</b>	
	<b>c</b>	Total gross income sourced at partnership level ( <i>attach schedule</i> ):		
	<b>(1)</b>	(1) U.S. source and listed categories . . . . .	<b>17c(1)</b>	
	<b>(2)</b>	(2) Passive . . . . .	<b>17c(2)</b>	
	<b>(3)</b>	(3) General limitation . . . . .	<b>17c(3)</b>	
	<b>d</b>	Deductions allocated and apportioned at partner level:		
	<b>(1)</b>	(1) Interest expense . . . . .	<b>17d(1)</b>	
	<b>(2)</b>	(2) Other . . . . .	<b>17d(2)</b>	
	<b>e</b>	Deductions allocated and apportioned at partnership level ( <i>attach schedule</i> ):		
<b>(1)</b>	(1) U.S. source and listed categories . . . . .	<b>17e(1)</b>		
<b>(2)</b>	(2) Passive . . . . .	<b>17e(2)</b>		
<b>(3)</b>	(3) General limitation . . . . .	<b>17e(3)</b>		
<b>f</b>	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	<b>17f</b>		
<b>g</b>	Reduction in taxes available for credit and other foreign tax information ( <i>attach schedule</i> ) . . . . .			
Other	<b>18</b>	Section 59(e)(2) expenditures: <b>a</b> Type ▶ . . . . .	<b>18a</b>	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>b</b>	Amount . . . . .	<b>18b</b>	
	<b>19</b>	Tax-exempt interest income . . . . .	<b>19</b>	Form 1040, line 8b
	<b>20</b>	Other tax-exempt income . . . . .	<b>20</b>	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>21</b>	Nondeductible expenses . . . . .	<b>21</b>	
	<b>22</b>	Distributions of money (cash and marketable securities) . . . . .	<b>22</b>	
	<b>23</b>	Distributions of property other than money . . . . .	<b>23</b>	} Form 8611, line 8
<b>24</b>	Recapture of low-income housing credit:			
<b>a</b>	From section 42(j)(5) partnerships . . . . .	<b>24a</b>		
<b>b</b>	Other than on line 24a . . . . .	<b>24b</b>		
Supplemental Information	<b>25</b>	Supplemental information required to be reported separately to each partner ( <i>attach additional schedules if more space is needed</i> ): <b>LINE 13 - OTHER CREDITS:</b> ----- <b>FORM 5884 - WORK OPPORTUNITY CREDIT</b> . . . . . <b>3,000</b> <b>TOTAL</b> . . . . . <b>3,000</b> -----  <b>ITEM J(C) - CAPITAL ACCOUNT ADJUSTMENTS:</b> ----- <b>ORDINARY INCOME (LOSS)</b> . . . . . <b>7,285</b> <b>NONDEDUCTIBLE EXPENSES</b> . . . . . <b>(4,250)</b> ----- <b>TOTAL</b> . . . . . <b>3,035</b> ----- -----		



**TEST #16**

**FORMS REQUIRED: 1065, F(1040), 3468, 4562, 2 K-1s (1065)**

**FORM 1065, PAGE 1: IDENTIFYING INFORMATION**

**NAME OF PARTNERSHIP:**

MISSISSIPPI BLUFFS LIMITED PARTNERSHIP  
16 ANY STREET  
ANYTOWN, IA 68882

**NAME OF PREPARER:**

ELECTRONIC TAX FILERS, INC.  
100 TECHO DRIVE  
RAINTOWN, WA 98530  
EIN: 52-0000099  
PREPARER SSN: 001-99-0001

**FORM 1065, PAGE 1:**

LINE A: FARMING  
LINE B: CORN  
LINE C: 111900  
LINE D: 52-0000016  
LINE E: 05/22/95  
LINE H(2): X

**FORM 1065, PAGE 2, SCHEDULE A:**

LINE 9d: NO  
LINE 9e: NO

**FORM 1065, PAGE 2, SCHEDULE B:**

LINE 1b: X  
LINE 2: NO  
LINE 3: NO  
LINE 4: NO  
LINE 5: NO  
LINE 6: NO  
LINE 7: NO  
LINE 8: NO  
LINE 9: NO  
LINE 10: NO  
LINE 11: NO  
LINE 12: 0

**TEST # 16 (Continued):**

**FORM 1065, PAGE 2 (DESIGNATION OF TAX MATTERS PARTNER):**

NAME OF DESIGNATED TMP:	JOHN CALVIN
IDENTIFYING NUMBER OF TMP:	001-16-0001
ADDRESS OF DESIGNATED TMP:	1215 EAST MAIN STREET CORNVILLE, IA 68584

**FORM 1065, PAGE 3, SCHEDULE K:**

**LINE 4a:** 198

**LINE 4b:** 556

**LINE 8 (STM 01):**

AMERICAN RED CROSS	760
UNIVERSITY OF DUBUQUE	1450
GALENA PRESERVATION SOCIETY	750
DRAKE UNIVERSITY	1524

**FORM 1065, PAGE 4, SCHEDULE L:**

**LINE 1(b):** 46693

**LINE 1(d):** 38056

**LINE 3(b):** 224685 (FROM SCHEDULE F, FORM 1040, PART III, LINE 46)

**LINE 3(d):** 214672 (FROM SCHEDULE F, FORM 1040, PART III, LINE 49)

**LINE 4(b):** 75657

**LINE 4(d):** 61556

**LINE 5(b):** 40000

**LINE 5(d):** 38750

**LINE 6(b) (STM 02):**

PREPAID INSURANCE	1157
ACCRUED INTEREST RECEIVABLE	96

**LINE 6(d) (STM 03):**

PREPAID INSURANCE	4185
DUE FROM RELATED PARTIES	6950
ACCRUED INTEREST RECEIVABLE	103

**LINE 8(b) (STM 04):**

CORPORATE STOCKS	13750
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**LINE 8(d) (STM 05):**

CORPORATE STOCKS	15856
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**LINE 9a(a):** 485476

**LINE 9a(c):** 535746

**LINE 9b(a):** 344685

**LINE 9b(c):** 386343

**LINE 11b:** 100000

**TEST # 16 (Continued):**

**FORM 1065, PAGE 4, SCHEDULE L (Continued):**

LINE 11d:	100000	
LINE 15(b):	22402	
LINE 15(d):	19546	
LINE 16(b):	41685	
LINE 16(d):	43257	
<b>LINE 17(b) (STM 06):</b>		
ACCRUED SALARIES		4850
PAYROLL TAXES PAYABLE		2586
<b>LINE 17(d) (STM 07):</b>		
ACCRUED SALARIES		5085
PAYROLL TAXES PAYABLE		3085
LINE 19(b):	441270	
LINE 19(d):	389572	

**FORM 1065, PAGE 4, SCHEDULE M-1:**

LINE 1:	98950
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**FORM 1065, PAGE 4, SCHEDULE M-2:**

LINE 1:	130036
LINE 3:	98950
LINE 6a:	60000

**SCHEDULE F (FORM 1040):**

LINE A:	CORN
LINE B:	111900
LINE E:	NO

**SCHEDULE F (FORM 1040) - PART II:**

LINE 12:	16254
LINE 13:	16440
LINE 14:	5886
LINE 15:	2565
LINE 16:	41658 (From Form 4562, Part IV, Line 21)
LINE 17:	3145
LINE 18:	15222
LINE 19:	11685
LINE 20:	1556
LINE 21:	1889

**TEST # 16 (Continued):**

**SCHEDULE F (FORM 1040) - PART II (Continued):**

LINE 22:	15668	
LINE 23a:	14466	
LINE 23b:	254	
LINE 24:	115657	
LINE 26a:	12330	
LINE 27:	41554	
LINE 28:	15185	
LINE 29:	4664	
LINE 30:	24656	
LINE 31:	12775	
LINE 32:	15994	
LINE 33:	26668	
LINE 34a:	BANK CHARGES	125
LINE 34b:	DUES & SUBSCRIPTIONS	198
LINE 34c:	LEGAL & ACCOUNTING	4255
LINE 34d:	MISCELLANEOUS	1324
LINE 34e:	TELEPHONE	578

**SCHEDULE F (FORM 1040) - PART III:**

LINE 38:	922437
LINE 39a:	15561
LINE 39b:	15561
LINE 40a:	28554
LINE 40b:	28554
LINE 42:	7446
LINE 46:	224685
LINE 47:	438654
LINE 49:	214672

**FORM 3468 - PART I:**

**LINE 1 (STM 03):**

SUBSTANTIAL REHABILITATION PERIOD: 1/1/00 TO 12/31/00  
ADJUSTED BASIS OF BUILDING AT BEGINNING OF PERIOD: 750,000  
AMOUNT OF QUALIFIED REHABILITATION EXPENDITURES DURING  
.....REHABILITATION PERIOD: 650,000

LINE 1b:	5620
LINE 1c:	564580

**TEST # 16 (Continued):**

**FORM 4562:  
SCHEDULE F, MISSISSIPPI BLUFFS FARM**

**FORM 4562, PART III:**

**LINE 17:** 41658 (To Schedule F (Form 1040), Line 16)

**FORM 4562, PART V, SECTION C:**

**LINE 35** NO  
**LINE 36** NO  
**LINE 37** NO  
**LINE 38** NO  
**LINE 39** NO

**SCHEDULE K-1 (FORM 1065) #1:**

**PARTNER'S IDENTIFYING NUMBER:** 001-16-0001  
**PARTNER'S NAME:** JOHN CALVIN  
**PARTNER'S ADDRESS:** 1215 EAST MAIN STREET  
CORNVILLE, IA 68584

**LINE A:** GENERAL PARTNER  
**LINE B:** INDIVIDUAL  
**LINE C:** DOMESTIC  
**LINE D(i):** PROFIT SHARING 50.00000%  
LOSS SHARING 50.00000%  
OWNERSHIP OF CAPITAL 50.00000%  
**LINE D(ii):** PROFIT SHARING 50.00000%  
LOSS SHARING 50.00000%  
OWNERSHIP OF CAPITAL 50.00000%  
**LINE E:** KANSAS CITY, MO  
**LINE F:** QUALIFIED NONRECOURSE FINANCING 216414  
OTHER 27716  
**LINE J(a):** 66076  
**LINE J(b):** 0  
**LINE J(c):** 49475  
**LINE J(d):** 30000

**TEST # 16 (Continued):**

**SCHEDULE K-1 (FORM 1065) #2:**

PARTNER'S IDENTIFYING NUMBER: 001-16-0002  
PARTNER'S NAME: ROY HOBBS  
PARTNER'S ADDRESS: 2335 WEST ANY AVENUE  
ANYTOWN, IA 68920

**LINE A:** LIMITED PARTNER

**LINE B:** INDIVIDUAL

**LINE C:** DOMESTIC

**LINE D(i):** PROFIT SHARING 50.00000%

LOSS SHARING 50.00000%

OWNERSHIP OF CAPITAL 50.00000%

**LINE D(ii):** PROFIT SHARING 50.00000%

LOSS SHARING 50.00000%

OWNERSHIP OF CAPITAL 50.00000%

**LINE E:** KANSAS CITY, MO

**LINE F:** QUALIFIED NONRECOURSE FINANCING 216415

**LINE J(a):** 63960

**LINE J(b):** 0

**LINE J(c):** 49475

**LINE J(d):** 30000

# U.S. Return of Partnership Income

OMB No. 1545-0099

For calendar year 2000, or tax year beginning \_\_\_\_\_, 2000, and ending \_\_\_\_\_, 20\_\_\_\_  
▶ See separate instructions.

**2000**

<b>A</b> Principal business activity <b>FARMING</b>	<b>Use the IRS label. Otherwise, please print or type.</b>	Name of partnership <b>MISSISSIPPI BLUFFS LIMITED PARTNERSHIP</b>	<b>D</b> Employer identification number <b>52 0000016</b>
<b>B</b> Principal product or service <b>CORN</b>		Number, street, and room or suite no. If a P.O. box, see page 12 of the instructions. <b>16 ANY STREET</b>	<b>E</b> Date business started <b>5/22/95</b>
<b>C</b> Business code number <b>111900</b>		City or town, state, and ZIP code <b>ANYTOWN, IA 68882</b>	<b>F</b> Total assets (see page 12 of the instructions) \$ <b>629,531</b>

**G** Check applicable boxes: (1)  Initial return (2)  Final return (3)  Change in address (4)  Amended return

**H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_

**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ \_\_\_\_\_ **2**

**Caution:** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b>			
	<b>b</b> Less returns and allowances . . . . .	<b>1b</b>			<b>1c</b>
<b>Income</b>	<b>2</b> Cost of goods sold (Schedule A, line 8) . . . . .			<b>2</b>	
	<b>3</b> Gross profit. Subtract line 2 from line 1c . . . . .			<b>3</b>	
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule) . . . . .			<b>4</b>	
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .			<b>5</b>	<b>102,680</b>
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 18. . . . .			<b>6</b>	
	<b>7</b> Other income (loss) (attach schedule) . . . . .			<b>7</b>	
	<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .			<b>8</b>	<b>102,680</b>
<b>Deductions</b> (see page 14 of the instructions for limitations)	<b>9</b> Salaries and wages (other than to partners) (less employment credits) . . . . .			<b>9</b>	
	<b>10</b> Guaranteed payments to partners . . . . .			<b>10</b>	
	<b>11</b> Repairs and maintenance . . . . .			<b>11</b>	
	<b>12</b> Bad debts . . . . .			<b>12</b>	
	<b>13</b> Rent . . . . .			<b>13</b>	
	<b>14</b> Taxes and licenses . . . . .			<b>14</b>	
	<b>15</b> Interest . . . . .			<b>15</b>	
	<b>16a</b> Depreciation (if required, attach Form 4562) . . . . .	<b>16a</b>			
	<b>b</b> Less depreciation reported on Schedule A and elsewhere on return . . . . .	<b>16b</b>			<b>16c</b>
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .			<b>17</b>	
	<b>18</b> Retirement plans, etc. . . . .			<b>18</b>	
<b>19</b> Employee benefit programs . . . . .			<b>19</b>		
<b>20</b> Other deductions (attach schedule) . . . . .			<b>20</b>		
<b>21 Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20 . . . . .			<b>21</b>		
<b>22 Ordinary income (loss)</b> from trade or business activities. Subtract line 21 from line 8 . . . . .			<b>22</b>	<b>102,680</b>	

**22 Ordinary income (loss)** from trade or business activities. Subtract line 21 from line 8 . . . . . **22** **102,680**

**Please Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

▶ Signature of general partner or limited liability company member      ▶ Date

**Paid Preparer's Use Only**

Preparer's signature ▶ \_\_\_\_\_ Date \_\_\_\_\_ Check if self-employed  Preparer's SSN or PTIN **001-99-0001**

Firm's name (or yours if self-employed), address, and ZIP code ▶ **ELECTRONIC TAX FILERS, INC.** EIN ▶ **52:0000099**

**100 TECO DRIVE RAIN TOWN, WA 98530** Phone no. ( ) \_\_\_\_\_

**Schedule A Cost of Goods Sold** (see page 17 of the instructions)

1	Inventory at beginning of year . . . . .	1		
2	Purchases less cost of items withdrawn for personal use . . . . .	2		
3	Cost of labor . . . . .	3		
4	Additional section 263A costs (attach schedule) . . . . .	4		
5	Other costs (attach schedule) . . . . .	5		
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6		
7	Inventory at end of year . . . . .	7		
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8		

- 9a Check all methods used for valuing closing inventory:
- (i)  Cost as described in Regulations section 1.471-3
  - (ii)  Lower of cost or market as described in Regulations section 1.471-4
  - (iii)  Other (specify method used and attach explanation) ▶ .....
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c). . . . ▶
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . ▶
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? . .  Yes  No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information**

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input type="checkbox"/> Domestic general partnership		
b <input checked="" type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶ .....		
2 Are any partners in this partnership also partnerships? . . . . .		X
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment . . . . .		X
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see <b>Designation of Tax Matters Partner</b> below . . . . .		X
5 Does this partnership meet <b>all three</b> of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000; <b>and</b>		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 . . . . .		X
6 Does this partnership have any foreign partners? . . . . .		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? . . . . .		X
8 Has this partnership filed, or is it required to file, <b>Form 8264</b> , Application for Registration of a Tax Shelter? . . . . .		X
9 At any time during calendar year 2000, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 18 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶ .....		X
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 18 of the instructions . . . . .		X
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under <b>Elections Made By the Partnership</b> on page 7 of the instructions . . . . .		X
12 Enter the number of Forms 8865 attached to this return ▶ .....		0

**Designation of Tax Matters Partner** (see page 18 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶ **JOHN CALVIN** Identifying number of TMP ▶ **001-16-0001**

Address of designated TMP ▶ **1215 EAST MAIN STREET**  
**CORNVILLE, IA 68584**

**Schedule K** Partners' Shares of Income, Credits, Deductions, etc.

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 22)	1	102,680
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):		
	a	Interest income	4a	198
	b	Ordinary dividends	4b	556
	c	Royalty income	4c	
	d	Net short-term capital gain (loss) (attach Schedule D (Form 1065))	4d	
	e	Net long-term capital gain (loss) (attach Schedule D (Form 1065)):		
	(1)	28% rate gain (loss)	4e(1)	
	(2)	Total for year	4e(2)	
f	Other portfolio income (loss) (attach schedule)	4f		
5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	4,484
	9	Section 179 expense deduction (attach Form 4562)	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12a(1)	
	(2)	Other than on line 12a(1) for property placed in service before 1990	12a(2)	
	(3)	From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12a(3)	
	(4)	Other than on line 12a(3) for property placed in service after 1989	12a(4)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	5,620
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
d	Credits related to other rental activities	12d		
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	754
	(2)	Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	51,340
	b	Gross farming or fishing income	15b	525,331
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d (1)	Gross income from oil, gas, and geothermal properties	16d(1)	
	(2)	Deductions allocable to oil, gas, and geothermal properties	16d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession		
	b	Total gross income sourced at partner level	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
	(1)	U.S. source and listed categories	17c(1)	
	(2)	Passive	17c(2)	
	(3)	General limitation	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
	(1)	Interest expense	17d(1)	
(2)	Other	17d(2)		
e	Deductions allocated and apportioned at partnership level (attach schedule):			
(1)	U.S. source and listed categories	17e(1)		
(2)	Passive	17e(2)		
(3)	General limitation	17e(3)		
f	Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17f		
g	Reduction in taxes available for credit (attach schedule)	17g		
Other	18	Section 59(e)(2) expenditures: a Type b Amount	18b	
	19	Tax-exempt interest income	19	
	20	Other tax-exempt income	20	
	21	Nondeductible expenses	21	
	22	Distributions of money (cash and marketable securities)	22	60,000
	23	Distributions of property other than money	23	
	24	Other items and amounts required to be reported separately to partners (attach schedule)		

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17f, and 18b . . . . .						<b>1</b>	<b>98,950</b>
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners		<b>49,475</b>					
b Limited partners		<b>49,475</b>					

**Schedule L Balance Sheets per Books** (Not required if Question 5 on Schedule B is answered "Yes.")

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash . . . . .		<b>46,693</b>		<b>38,056</b>
2a Trade notes and accounts receivable . . . . .				
b Less allowance for bad debts . . . . .				
3 Inventories . . . . .		<b>224,685</b>		<b>214,672</b>
4 U.S. government obligations . . . . .		<b>75,657</b>		<b>61,556</b>
5 Tax-exempt securities . . . . .		<b>40,000</b>		<b>38,750</b>
6 Other current assets (attach schedule) . . . . .		<b>1,253</b>		<b>11,238</b>
7 Mortgage and real estate loans . . . . .				
8 Other investments (attach schedule) . . . . .		<b>13,750</b>		<b>15,856</b>
9a Buildings and other depreciable assets . . . . .	<b>485,476</b>		<b>535,746</b>	
b Less accumulated depreciation . . . . .	<b>344,685</b>	<b>140,791</b>	<b>386,343</b>	<b>149,403</b>
10a Depletable assets . . . . .				
b Less accumulated depletion . . . . .				
11 Land (net of any amortization) . . . . .		<b>100,000</b>		<b>100,000</b>
12a Intangible assets (amortizable only). . . . .				
b Less accumulated amortization . . . . .				
13 Other assets (attach schedule) . . . . .				
14 <b>Total assets</b> . . . . .		<b>642,829</b>		<b>629,531</b>
<b>Liabilities and Capital</b>				
15 Accounts payable . . . . .		<b>22,402</b>		<b>19,546</b>
16 Mortgages, notes, bonds payable in less than 1 year . . . . .		<b>41,685</b>		<b>43,257</b>
17 Other current liabilities (attach schedule) . . . . .		<b>7,436</b>		<b>8,170</b>
18 All nonrecourse loans . . . . .				
19 Mortgages, notes, bonds payable in 1 year or more . . . . .		<b>441,270</b>		<b>389,572</b>
20 Other liabilities (attach schedule) . . . . .				
21 Partners' capital accounts . . . . .		<b>130,036</b>		<b>168,986</b>
22 <b>Total liabilities and capital</b> . . . . .		<b>642,829</b>		<b>629,531</b>

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return** (Not required if Question 5 on Schedule B is answered "Yes." See page 29 of the instructions.)

1 Net income (loss) per books . . . . .	<b>98,950</b>	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): . . . . .		a Tax-exempt interest \$ . . . . .	
3 Guaranteed payments (other than health insurance) . . . . .		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17f, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17f, and 18b (itemize):		a Depreciation \$ . . . . .	
a Depreciation \$ . . . . .		8 Add lines 6 and 7 . . . . .	
b Travel and entertainment \$ . . . . .		9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 . . . . .	<b>98,950</b>
5 Add lines 1 through 4 . . . . .	<b>98,950</b>		

**Schedule M-2 Analysis of Partners' Capital Accounts** (Not required if Question 5 on Schedule B is answered "Yes.")

1 Balance at beginning of year . . . . .	<b>130,036</b>	6 Distributions: a Cash . . . . .	<b>60,000</b>	<b>60,000</b>
2 Capital contributed during year . . . . .		b Property . . . . .		
3 Net income (loss) per books . . . . .	<b>98,950</b>	7 Other decreases (itemize): . . . . .		
4 Other increases (itemize): . . . . .		8 Add lines 6 and 7 . . . . .		<b>60,000</b>
5 Add lines 1 through 4 . . . . .	<b>228,986</b>	9 Balance at end of year. Subtract line 8 from line 5 . . . . .		<b>168,986</b>



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-16-0002  
 Partner's name, address, and ZIP code #2  
 ROY HOBBS  
 2335 WEST ANY AVENUE  
 ANYTOWN, IA 68920

**Partnership's identifying number** ▶ 52:0000016  
 Partnership's name, address, and ZIP code  
 MISSISSIPPI BLUFFS LIMITED PARTNERSHIP  
 16 ANY STREET  
 ANYTOWN, IA 68882

**A** This partner is a  general partner  limited partner  
 limited liability company member  
**B** What type of entity is this partner? ▶ INDIVIDUAL  
**C** Is this partner a  domestic or a  foreign partner?  
**D** Enter partner's percentage of:  
 Profit sharing . . . . . 50.0000 % 50.0000 %  
 Loss sharing . . . . . 50.0000 % 50.0000 %  
 Ownership of capital . . . . . 50.0000 % 50.0000 %  
**E** IRS Center where partnership filed return: KANSAS CITY

**F** Partner's share of liabilities (see instructions):  
 Nonrecourse . . . . . \$  
 Qualified nonrecourse financing . . . . . \$ 216,414  
 Other . . . . . \$  
**G** Tax shelter registration number . . . . .  
**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .   
**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
63,960		49,475	( 30,000 )	83,435

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	1 Ordinary income (loss) from trade or business activities . . . . .	1 51,340	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2	
	3 Net income (loss) from other rental activities . . . . .	3	
	4 Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f)
	a Interest . . . . .	4a 99	
	b Ordinary dividends . . . . .	4b 278	
	c Royalties . . . . .	4c	
	d Net short-term capital gain (loss) . . . . .	4d	
	e Net long-term capital gain (loss):		
	(1) 28% rate gain (loss) . . . . .	e(1)	} Sch. D, line 12, col. (g) Sch. D, line 12, col. (f)
	(2) Total for year. . . . .	e(2)	
	f Other portfolio income (loss) (attach schedule) . . . . .	4f	} Enter on applicable line of your return.
	5 Guaranteed payments to partner . . . . .	5	
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
7 Other income (loss) (attach schedule) . . . . .	7		
<b>Deductions</b>	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8 2,242	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	9 Section 179 expense deduction . . . . .	9	
	10 Deductions related to portfolio income (attach schedule) . . . . .	10	
	11 Other deductions (attach schedule) . . . . .	11	
<b>Credits</b>	12a Low-income housing credit:		} Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b 2,810	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
	d Credits related to other rental activities . . . . .	12d	
13 Other credits . . . . .	13		

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a Interest expense on investment debts . . . . .	14a	Form 4952, line 1 See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b (1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1) 377	
	(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a Net earnings (loss) from self-employment . . . . .	15a	Sch. SE, Section A or B See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b Gross farming or fishing income . . . . .	15b 262,665	
	c Gross nonfarm income . . . . .	15c	
Adjustments and Tax Preference Items	16a Depreciation adjustment on property placed in service after 1986 . . . . .	16a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b Adjusted gain or loss . . . . .	16b	
	c Depletion (other than oil and gas) . . . . .	16c	
	d (1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
e Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a Name of foreign country or U.S. possession ▶	17a	Form 1116, Part I  Form 1116, Part II  Form 1116, Part III and Instructions for Form 1116.
	b Total gross income sourced at partner level . . . . .	17b	
	c Total gross income sourced at partnership level (attach schedule):		
	(1) U.S. source and listed categories . . . . .	17c(1)	
	(2) Passive . . . . .	17c(2)	
	(3) General limitation . . . . .	17c(3)	
	d Deductions allocated and apportioned at partner level:		
	(1) Interest expense . . . . .	17d(1)	
	(2) Other . . . . .	17d(2)	
	e Deductions allocated and apportioned at partnership level (attach schedule):		
(1) U.S. source and listed categories . . . . .	17e(1)		
(2) Passive . . . . .	17e(2)		
(3) General limitation . . . . .	17e(3)		
f Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	18 Section 59(e)(2) expenditures: a Type ▶	18a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065). Form 1040, line 8b See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).  Form 8611, line 8
	b Amount . . . . .	18b	
	19 Tax-exempt interest income . . . . .	19	
	20 Other tax-exempt income . . . . .	20	
	21 Nondeductible expenses . . . . .	21	
	22 Distributions of money (cash and marketable securities) . . . . .	22 30,000	
	23 Distributions of property other than money . . . . .	23	
24 Recapture of low-income housing credit:			
a From section 42(j)(5) partnerships . . . . .	24a		
b Other than on line 24a . . . . .	24b		
Supplemental Information	25 Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
	LINE 8 CHARITABLE CONTRIBUTION		
	AMERICAN RED CROSS	380	
	UNIVERSITY OF DUBUQUE	725	
	GALENA PRESERVATION SOCIETY	375	
	DRAKE UNIVERSITY	762	
	TOTAL	2,242	



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-16-0001  
 Partner's name, address, and ZIP code #1  
 JOHN CALVIN  
 1215 EAST MAIN STREET  
 CORNVILLE, IA 68584

**Partnership's identifying number** ▶ 52:0000016  
 Partnership's name, address, and ZIP code  
 MISSISSIPPI BLUFFS LIMITED PARTNERSHIP  
 16 ANY STREET  
 ANYTOWN, IA 68882

**A** This partner is a  general partner  limited partner  
 limited liability company member  
**B** What type of entity is this partner? ▶ **INDIVIDUAL**  
**C** Is this partner a  domestic or a  foreign partner?  
**D** Enter partner's percentage of:  
 Profit sharing . . . . . 50.0000 % 50.0000 %  
 Loss sharing . . . . . 50.0000 % 50.0000 %  
 Ownership of capital . . . . . 50.0000 % 50.0000 %  
**E** IRS Center where partnership filed return: **KANSAS CITY**

**F** Partner's share of liabilities (see instructions):  
 Nonrecourse . . . . . \$ .....  
 Qualified nonrecourse financing . . . . . \$ **216,414**  
 Other . . . . . \$ **27,716**  
**G** Tax shelter registration number . . . . .  
**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .   
**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
66,076		49,475	( 30,000 )	85,551

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	1 Ordinary income (loss) from trade or business activities . . . . .	1 51,340	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2	
	3 Net income (loss) from other rental activities . . . . .	3	
	4 Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	a Interest . . . . .	4a 99	
	b Ordinary dividends . . . . .	4b 278	
	c Royalties . . . . .	4c	
d Net short-term capital gain (loss) . . . . .	4d		
e Net long-term capital gain (loss):			
(1) 28% rate gain (loss) . . . . .	e(1)	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
(2) Total for year. . . . .	e(2)		
f Other portfolio income (loss) (attach schedule) . . . . .	4f	} Enter on applicable line of your return.	
5 Guaranteed payments to partner . . . . .	5		
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
7 Other income (loss) (attach schedule) . . . . .	7		
<b>Deductions</b>	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8 2,242	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	9 Section 179 expense deduction . . . . .	9	
	10 Deductions related to portfolio income (attach schedule) . . . . .	10	
	11 Other deductions (attach schedule) . . . . .	11	
<b>Credits</b>	12a Low-income housing credit:		} Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b 2,810	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
	d Credits related to other rental activities . . . . .	12d	
13 Other credits . . . . .	13		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1) 377	
		(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a 51,340	Sch. SE, Section A or B See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Gross farming or fishing income . . . . .	15b 262,666	
	c	Gross nonfarm income . . . . .	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b	Adjusted gain or loss . . . . .	16b	
	c	Depletion (other than oil and gas) . . . . .	16c	
	d	(1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
		(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
e	Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶ . . . . .	17a	Form 1116, Part I  Form 1116, Part II  Form 1116, Part III and Instructions for Form 1116.
	b	Total gross income sourced at partner level . . . . .	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
		(1) U.S. source and listed categories . . . . .	17c(1)	
		(2) Passive . . . . .	17c(2)	
		(3) General limitation . . . . .	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
		(1) Interest expense . . . . .	17d(1)	
		(2) Other . . . . .	17d(2)	
	e	Deductions allocated and apportioned at partnership level (attach schedule):		
		(1) U.S. source and listed categories . . . . .	17e(1)	
	(2) Passive . . . . .	17e(2)		
	(3) General limitation . . . . .	17e(3)		
f	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	18	Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Amount . . . . .	18b	
	19	Tax-exempt interest income . . . . .	19	Form 1040, line 8b
	20	Other tax-exempt income . . . . .	20	See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	21	Nondeductible expenses . . . . .	21	
	22	Distributions of money (cash and marketable securities) . . . . .	22 30,000	
	23	Distributions of property other than money . . . . .	23	Form 8611, line 8
	24	Recapture of low-income housing credit:		
a	From section 42(j)(5) partnerships . . . . .	24a		
b	Other than on line 24a . . . . .	24b		
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
		LINE 8 CHARITABLE CONTRIBUTION		
		AMERICAN RED CROSS	380	
		UNIVERSITY OF DUBUQUE	725	
		GALENA PRESERVATION SOCIETY	375	
		DRAKE UNIVERSITY	762	
		TOTAL	2,242	



**TEST # 17**

**FORMS REQUIRED: 1065, 4562, 4684, 5884, 8271, 8824, 8826, 8834,  
8861, 3 K-1s (1065), 8308)**

**FORM 1065, PAGE 1: IDENTIFYING INFORMATION:**

**NAME OF PARTNERSHIP:**

OBIE SWEET HORSE LIMITED PARTNERSHIP  
17 ANY STREET  
ANYTOWN, MD 21042

**NAME OF PREPARER:**

ELECTRONIC TAX FILERS, INC.  
100 TECHO DRIVE  
RAINTOWN, WA 98530

EIN: 52-0000099  
PREPARER SNN: 001-99-0001

**FORM 1065, PAGE 1:**

**LINE A:** HORSE BREEDING

**LINE B:** HORSE BREEDING

**LINE C:** 112900

**LINE D:** 52-0000017

**LINE E:** 07/01/92

**LINE H(1):** X

**LINE 1a:** 41610

**LINE 7 (STM 01):**

CREDIT FOR ALCOHOL USED AS FUEL 21  
TAXABLE INSURANCE PROCEEDS 1000

**LINE 9:** 6250

**LINE 11:** 926

**LINE 13:** 18450

**LINE 14:** 1960

**LINE 15:** 6545

**LINE 20 (STM 02):**

ADVERTISING 516  
FARM MAINTENANCE 384  
FARRIERS 326  
VETERNARIANS 791  
STRAW & SHAVINGS 241  
BREEDING FEES 2550  
FEED & HAY 1151  
MEDICINES 136

**TEST # 17 (Continued):**

**FORM 1065, PAGE1 (Continued):**

TACK SUPPLIES	91
HORSE SUPPLIES	82
TRAINERS	418

**FORM 1065, PAGE 2, SCHEDULE A:**

LINE 1:	2515
LINE 2:	5681
LINE 7:	1850
LINE 9(a)(i):	X
LINE 9(d):	NO
LINE 9(e):	NO

**FORM 1065, PAGE 2, SCHEDULE B:**

LINE 1(b):	X
LINE 2:	NO
LINE 3:	NO
LINE 4:	NO
LINE 5:	YES
LINE 6:	NO
LINE 7:	NO
LINE 8:	NO
LINE 9:	NO
LINE 10:	NO
LINE 11:	NO
LINE 12:	0

NAME OF DESIGNATED TMP:	JUDI DOOTI
IDENTIFYING NUMBER OF DESIGNATED TMP:	001-17-0001
ADDRESS OF DESIGNATED TMP:	10 PONY PARK PONYTOWN, MD 21042

**FORM 1065, PAGE 3, SCHEDULE K:**

LINE 3a:	6555 (FROM FORM 4835, PART I, LINE 7)
LINE 3b (STM 03):	
FROM FORM 4835, PART II, LINE 31	2317
LINE 11 (STM 04):	
CASUALTY LOSS	4337
LINE 16a:	1126
LINE 21:	18271

**TEST # 17 (Continued):**

**FORM 1065, PAGE 4, SCHEDULE L:**

LINE 1(b):	4250
LINE 1(d):	10323
LINE 8(b) (STM 05):	
VARIOUS	15000
LINE 8(d) (STM 06):	
VARIOUS	15000
LINE 9a(a):	47451
LINE 9a(c):	217808
LINE 9b(a):	15350
LINE 9b(c):	23804
LINE 19(b):	70154
LINE 19(d):	273464

**FORM 1065, PAGE 4, SCHEDULE M-1:**

LINE 1:	-35999	
LINE 2:	21	
LINE 4 (STM 07):		
FORM 5884 - WORK OPPORTUNITY CREDIT		6000
FORM 8861 - WELFARE-TO-WORK CREDIT		12250

**FORM 1065, PAGE 4, SCHEDULE M-2:**

LINE 1:	-16288
LINE 2:	8144
LINE 3:	-35999
LINE 6a:	8144

**FORM 4562:**

**ACTIVITY TO WHICH THIS FORM RELATES:**  
**FORM 1065, PAGE 1, LINE 22**

**FORM 4562 - PART II:**

LINE 15i(b):	04/15/00
LINE 15i(c):	170000

**FORM 4562 - PART III:**

LINE 17:	8172
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**FORM 4562, PART V, SECTION A:**

LINE 24(a):	ELECTRIC CAR
LINE 24(b):	08/04/00
LINE 24(c):	100%

**TEST # 17 (Continued):**

**FORM 4562, PART V, SECTION A (Continued):**

LINE 24(d): 10206  
LINE 24(e): 9185  
LINE 24(f): 5 YR  
LINE 24(g): HY

**FORM 4562, PART V, SECTION C:**

LINE 35 YES  
LINE 36 YES  
LINE 37 YES  
LINE 38 YES  
LINE 39 YES

**FORM 4684, PAGE 2, SECTION B, PART I:**

**ACTIVITY TO WHICH THIS FORM RELATES:**

**FORM 1065, PAGE 3, LINE 11**

LINE 19A: VELVET SHOW SADDLE.....12/02/00  
LINE 20A: 4337

**FORM 4684, PAGE 2, SECTION B, PART II:**

LINE 29(a) THEFT OF SHOW SADDLE  
LINE 29(b)(ii) 4337

**FORM 4835:**

**ACTIVITY TO WHICH THIS FORM RELATES:**

**FORM 1065, PAGE 3, LINE 3c**

**FORM 4835, PART I:**

LINE 1: 6555

**FORM 4835, PART II:**

LINE 22a: 1850  
LINE 23: 412  
LINE 30a: 55 LICENSE

**FORM 5884:**

**ACTIVITY TO WHICH THIS FORM RELATES:**

**FORM 1065, PAGE 1, LINE 9**

LINE 1(b): 15000 QUALIFIED WAGES

**TEST # 17 (Continued):**

**FORM 8271:**

**ACTIVITY TO WHICH THIS FORM RELATES:**

**FORM 1065, PAGE 4, LINE 8**

**LINE 1(a):** VELVET THUNDER RACE HORSE SYNDICATION

**LINE 1(b):** 1.2E+10

**LINE 1(c):** 52-0000095

**FORM 8824:**

**ACTIVITY TO WHICH THIS FORM RELATES:**

**FORM 1065, PAGE 4, LINE 9**

**FORM 8824, PART I:**

**LINE 1:** KABOTO TRACTOR

**LINE 2:** ROWLAND TRACTOR

**LINE 3:** 04/04/97

**LINE 4:** 05/05/00

**LINE 5:** 05/05/00

**LINE 6:** 05/05/00

**LINE 7(c):** X

**FORM 8824, PART III:**

**LINE 16:** 13500

**LINE 18:** 12857

**FORM 8826:**

**ACTIVITY TO WHICH THIS FORM RELATES:**

**FORM 1065, PAGE 4, LINE 9**

**FORM 8826, PART I:**

**LINE 1:** 12500

**FORM 8834, PART I:**

**ACTIVITY TO WHICH THIS FORMS RELATES:**

**FORM 4562, PAGE 2, PART V, LINE 24**

**LINE 1(a):** 10206

**FORM 8861:**

**ACTIVITY TO WHICH THIS FORMS RELATES:**

**FORM 1065, PAGE 1, LINE 9**

**FORM 8861, PART I:**

**LINE 1(b):** 35000

**TEST # 17 (Continued):**

**SCHEDULE K-1 (FORM 1065), #1:**

PARTNER'S IDENTIFICATION NUMBER: 001-17-0001  
PARTNER'S NAME: JUDI DOOTI  
PARTNER'S ADDRESS: 10 PONY PARK  
PONYTOWN, MD 21042

**LINE A:** GENERAL PARTNER  
**LINE B:** INDIVIDUAL  
**LINE C:** DOMESTIC  
**LINE D(i):** BEFORE CHANGE OR TERMINATION:  
PROFIT SHARING 50.00000%  
LOSS SHARING 50.00000%  
OWNERSHIP OF CAPITAL 50.00000%  
**LINE D(ii):** END OF YEAR:  
PROFIT SHARING 50.00000%  
LOSS SHARING 50.00000%  
OWNERSHIP OF CAPITAL 50.00000%  
**LINE E:** PHILADELPHIA, PA  
**LINE F:** Qualified nonrecourse financing 136732  
**LINE J(a):** -8144  
**LINE J(b):** 0  
**LINE J(c):** -18000  
**LINE J(d):** 0  
**LINE 13 (STM 08):**  
FORM 5884 - WORK OPPORTUNITY CREDIT 3000  
FORM 8826 - DISABLED ACCESS CREDIT 2500  
FORM 8834 - QUALIFIED ELECTRIC VEHICLE 511  
FORM 8861 - WELFARE-TO-WORK CREDIT 6125

**SCHEDULE K-1 (FORM 1065), #2:**

PARTNER'S IDENTIFICATION NUMBER: 001-17-0002  
PARTNER'S NAME: NIKI WIKI  
PARTNER'S ADDRESS: 10 O.B. SWEET STREET  
ANYTOWN, MD 21042

**LINE A:** LIMITED PARTNER  
**LINE B:** INDIVIDUAL  
**LINE C:** DOMESTIC  
**LINE D(i):** BEFORE CHANGE OR TERMINATION:  
PROFIT SHARING 50.00000%  
LOSS SHARING 50.00000%  
OWNERSHIP OF CAPITAL 50.00000%  
**LINE D(ii):** END OF YEAR:

**TEST # 17 (Continued):**

**SCHEDULE K-1 (FORM 1065), #2 (Continued):**

<b>LINE D(ii):</b>	PROFIT SHARING	0.00000%
	LOSS SHARING	0.00000%
	OWNERSHIP OF CAPITAL	0.00000%
<b>LINE E:</b>	PHILADELPHIA, PA	
<b>LINE J(a):</b>	-8144	
<b>LINE J(b):</b>	8144	
<b>LINE J(c):</b>	0	
<b>LINE J(d):</b>	0	
<b>LINE I:</b>	FINAL K-1	

**SCHEDULE K-1 (FORM 1065), #3:**

PARTNER'S IDENTIFICATION NUMBER: 001-17-0003  
PARTNER'S NAME: BARBARA MAY GUNN  
PARTNER'S ADDRESS: 10 ANY PARKWAY  
ANY CITY, MO 64114

<b>LINE A:</b>	LIMITED PARTNER	
<b>LINE B:</b>	INDIVIDUAL	
<b>LINE C:</b>	DOMESTIC	
<b>LINE D(i):</b>	BEFORE CHANGE OR TERMINATION:	
	PROFIT SHARING	0.00000%
	LOSS SHARING	0.00000%
	OWNERSHIP OF CAPITAL	0.00000%
<b>LINE D(ii):</b>	END OF YEAR:	
	PROFIT SHARING	50.00000%
	LOSS SHARING	50.00000%
	OWNERSHIP OF CAPITAL	50.00000%
<b>LINE E:</b>	PHILADELPHIA, PA	
<b>LINE F:</b>	QUALIFIED NONRECOURSE FINANCING	136732
<b>LINE J(a):</b>	0	
<b>LINE J(b):</b>	0	
<b>LINE J(c):</b>	-18000	
<b>LINE J(d):</b>	8144	

**LINE 13 (STM 09):**

FORM 5884 - WORK OPPORTUNITY CREDIT	3000
FORM 8826 - DISABLED ACCESS CREDIT	2500
FORM 8834 - QUALIFIED ELECTRIC VEHICLE	510
FORM 8861 - WELFARE-TO-WORK CREDIT	6125

**TEST # 17 (Continued):**

**FORM 8308:**

**ACTIVITY TO WHICH THIS FORM IS RELATED:**

**FORM 1065, K-1s #2 & #3**

**TELEPHONE NUMBER: (410) 555-4810**

**FORM 8308 - PART I:**

**NIKI WIKI**

**FORM 8308 - PART II:**

**BARBARA MAY GUNN**

**FORM 8308 - PART III:**

**DATE OR SALE OF PARTNERSHIP INTEREST: 07/01/00**

# U.S. Return of Partnership Income

OMB No. 1545-0099

For calendar year 2000, or tax year beginning \_\_\_\_\_, 2000, and ending \_\_\_\_\_, 20\_\_\_\_  
▶ See separate instructions.

**2000**

<b>A</b> Principal business activity <b>HORSE BREEDING</b>	<b>Use the IRS label. Otherwise, please print or type.</b>	Name of partnership <b>OBIE SWEET HORSE LIMITED PARTNERSHIP</b>	<b>D</b> Employer identification number <b>52:0000017</b>
<b>B</b> Principal product or service <b>HORSE BREEDING</b>		Number, street, and room or suite no. If a P.O. box, see page 12 of the instructions. <b>17 ANY STREET</b>	<b>E</b> Date business started <b>7/01/92</b>
<b>C</b> Business code number <b>112900</b>		City or town, state, and ZIP code <b>ANYTOWN, MD 21042</b>	<b>F</b> Total assets (see page 12 of the instructions) \$ <b>221,177</b>

**G** Check applicable boxes: (1)  Initial return (2)  Final return (3)  Change in address (4)  Amended return  
**H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_  
**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ \_\_\_\_\_ **3**

**Caution:** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

<b>Income</b>	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b>	<b>41,610</b>			
	<b>b</b> Less returns and allowances . . . . .	<b>1b</b>			<b>1c</b>	<b>41,610</b>
	<b>2</b> Cost of goods sold (Schedule A, line 8) . . . . .	<b>2</b>				<b>6,346</b>
	<b>3</b> Gross profit. Subtract line 2 from line 1c . . . . .	<b>3</b>				<b>35,264</b>
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule) . . . . .	<b>4</b>				
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .	<b>5</b>				
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 18. . . . .	<b>6</b>				
	<b>7</b> Other income (loss) (attach schedule) . . . . .	<b>7</b>				<b>1,021</b>
<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .	<b>8</b>				<b>36,285</b>	
<b>Deductions</b> (see page 14 of the instructions for limitations)	<b>9</b> Salaries and wages (other than to partners) (less employment credits) . . . . .	<b>9</b>				<b>6,250</b>
	<b>10</b> Guaranteed payments to partners . . . . .	<b>10</b>				
	<b>11</b> Repairs and maintenance . . . . .	<b>11</b>				<b>926</b>
	<b>12</b> Bad debts . . . . .	<b>12</b>				
	<b>13</b> Rent . . . . .	<b>13</b>				<b>18,450</b>
	<b>14</b> Taxes and licenses . . . . .	<b>14</b>				<b>1,960</b>
	<b>15</b> Interest . . . . .	<b>15</b>				<b>6,545</b>
	<b>16a</b> Depreciation (if required, attach Form 4562) . . . . .	<b>16a</b>	<b>13,097</b>			
	<b>b</b> Less depreciation reported on Schedule A and elsewhere on return . . . . .	<b>16b</b>			<b>16c</b>	<b>13,097</b>
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .	<b>17</b>				
	<b>18</b> Retirement plans, etc. . . . .	<b>18</b>				
	<b>19</b> Employee benefit programs . . . . .	<b>19</b>				
	<b>20</b> Other deductions (attach schedule) . . . . .	<b>20</b>				<b>6,686</b>
<b>21 Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20 . . . . .	<b>21</b>				<b>53,914</b>	
<b>22 Ordinary income (loss)</b> from trade or business activities. Subtract line 21 from line 8 . . . . .	<b>22</b>				<b>(17,629)</b>	

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

**Please Sign Here**

Signature of general partner or limited liability company member \_\_\_\_\_ Date \_\_\_\_\_

**Paid Preparer's Use Only**

Preparer's signature \_\_\_\_\_ Date \_\_\_\_\_ Check if self-employed  Preparer's SSN or PTIN **001-99-0001**

Firm's name (or yours if self-employed), address, and ZIP code **ELETRONIC TAX FILERS, INC.** EIN **52:0000099**

**100 TECO DRIVE RAIN TOWN, WA 98530** Phone no. ( ) \_\_\_\_\_

**Schedule A Cost of Goods Sold** (see page 17 of the instructions)

1	Inventory at beginning of year . . . . .	1	2,515
2	Purchases less cost of items withdrawn for personal use . . . . .	2	5,681
3	Cost of labor . . . . .	3	
4	Additional section 263A costs (attach schedule) . . . . .	4	
5	Other costs (attach schedule) . . . . .	5	
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6	8,196
7	Inventory at end of year . . . . .	7	1,850
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8	6,346

- 9a Check all methods used for valuing closing inventory:
- (i)  Cost as described in Regulations section 1.471-3
  - (ii)  Lower of cost or market as described in Regulations section 1.471-4
  - (iii)  Other (specify method used and attach explanation) ▶
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c). . . . ▶
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . ▶
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? . .  Yes  No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information**

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input type="checkbox"/> Domestic general partnership		
b <input checked="" type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶		
2 Are any partners in this partnership also partnerships? . . . . .		X
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment . . . . .		X
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see <b>Designation of Tax Matters Partner</b> below . . . . .		X
5 Does this partnership meet <b>all three</b> of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000; <b>and</b>		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 . . . . .	X	
6 Does this partnership have any foreign partners? . . . . .		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? . . . . .		X
8 Has this partnership filed, or is it required to file, <b>Form 8264</b> , Application for Registration of a Tax Shelter? . . . . .		X
9 At any time during calendar year 2000, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 18 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶		X
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 18 of the instructions . . . . .		X
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under <b>Elections Made By the Partnership</b> on page 7 of the instructions . . . . .		X
12 Enter the number of Forms 8865 attached to this return ▶		0

**Designation of Tax Matters Partner** (see page 18 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶	<b>JUDI DOOTI</b>	Identifying number of TMP ▶	<b>001-17-0001</b>
Address of designated TMP ▶	<b>10 PONY PARK PONYTOWN, MD 21042</b>		

**Schedule K Partners' Shares of Income, Credits, Deductions, etc.**

		(a) Distributive share items		(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 22)		1	(17,629)
	2	Net income (loss) from rental real estate activities (attach Form 8825)		2	
	3a	Gross income from other rental activities	3a 6,555		
	b	Expenses from other rental activities (attach schedule)	3b 2,317		
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a		3c	4,238
	4	Portfolio income (loss):			
	a	Interest income		4a	
	b	Ordinary dividends		4b	
	c	Royalty income		4c	
	d	Net short-term capital gain (loss) (attach Schedule D (Form 1065))		4d	
	e	Net long-term capital gain (loss) (attach Schedule D (Form 1065)):			
	(1)	28% rate gain (loss)		4e(2)	
	(2)	Total for year			
f	Other portfolio income (loss) (attach schedule)		4f		
5	Guaranteed payments to partners		5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)		6		
7	Other income (loss) (attach schedule)		7		
Deductions	8	Charitable contributions (attach schedule)		8	
	9	Section 179 expense deduction (attach Form 4562)		9	
	10	Deductions related to portfolio income (itemize)		10	
	11	Other deductions (attach schedule)		11	4,337
Credits	12a	Low-income housing credit:			
	(1)	From partnerships to which section 42(j)(5) applies for property placed in service before 1990		12a(1)	
	(2)	Other than on line 12a(1) for property placed in service before 1990		12a(2)	
	(3)	From partnerships to which section 42(j)(5) applies for property placed in service after 1989		12a(3)	
	(4)	Other than on line 12a(3) for property placed in service after 1989		12a(4)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)		12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities		12c	
	d	Credits related to other rental activities		12d	
13	Other credits		13	24,271	
Investment Interest	14a	Interest expense on investment debts		14a	
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above		14b(1)	
	(2)	Investment expenses included on line 10 above		14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment		15a	(17,629)
	b	Gross farming or fishing income		15b	
	c	Gross nonfarm income		15c	35,264
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986		16a	1,126
	b	Adjusted gain or loss		16b	
	c	Depletion (other than oil and gas)		16c	
	d (1)	Gross income from oil, gas, and geothermal properties		16d(1)	
	(2)	Deductions allocable to oil, gas, and geothermal properties		16d(2)	
	e	Other adjustments and tax preference items (attach schedule)		16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession			
	b	Total gross income sourced at partner level		17b	
	c	Total gross income sourced at partnership level (attach schedule):			
	(1)	U.S. source and listed categories		17c(3)	
	(2)	Passive			
	(3)	General limitation			
	d	Deductions allocated and apportioned at partner level:			
	(1)	Interest expense		17d(2)	
(2)	Other				
e	Deductions allocated and apportioned at partnership level (attach schedule):				
(1)	U.S. source and listed categories		17e(3)		
(2)	Passive				
(3)	General limitation				
f	Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>		17f		
g	Reduction in taxes available for credit (attach schedule)		17g		
Other	18	Section 59(e)(2) expenditures: a Type b Amount		18b	
	19	Tax-exempt interest income		19	
	20	Other tax-exempt income		20	
	21	Nondeductible expenses		21	18,271
	22	Distributions of money (cash and marketable securities)		22	8,144
	23	Distributions of property other than money		23	
	24	Other items and amounts required to be reported separately to partners (attach schedule)			

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17f, and 18b . . . . .						1	(17,728)
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners		(8,863)	(8,865)				
b Limited partners							

**Schedule L Balance Sheets per Books** (Not required if Question 5 on Schedule B is answered "Yes.")

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash . . . . .		4,250		10,323
2a Trade notes and accounts receivable . . . . .				
b Less allowance for bad debts . . . . .				
3 Inventories . . . . .		2,515		1,850
4 U.S. government obligations . . . . .				
5 Tax-exempt securities . . . . .				
6 Other current assets (attach schedule) . . . . .				
7 Mortgage and real estate loans . . . . .				
8 Other investments (attach schedule) . . . . .		15,000		15,000
9a Buildings and other depreciable assets . . . . .	47,451		217,808	
b Less accumulated depreciation . . . . .	15,350	32,101	23,804	194,004
10a Depletable assets . . . . .				
b Less accumulated depletion . . . . .				
11 Land (net of any amortization) . . . . .				
12a Intangible assets (amortizable only). . . . .				
b Less accumulated amortization . . . . .				
13 Other assets (attach schedule) . . . . .				
14 <b>Total assets</b> . . . . .		53,866		221,177
<b>Liabilities and Capital</b>				
15 Accounts payable . . . . .				
16 Mortgages, notes, bonds payable in less than 1 year . . . . .				
17 Other current liabilities (attach schedule) . . . . .				
18 All nonrecourse loans . . . . .				
19 Mortgages, notes, bonds payable in 1 year or more . . . . .		70,154		273,464
20 Other liabilities (attach schedule) . . . . .				
21 Partners' capital accounts . . . . .		(16,288)		(52,287)
22 <b>Total liabilities and capital</b> . . . . .		53,866		221,177

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return** (Not required if Question 5 on Schedule B is answered "Yes." See page 29 of the instructions.)

1 Net income (loss) per books . . . . .	(35,999)	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): . . . . .	21	a Tax-exempt interest \$ . . . . .	
3 Guaranteed payments (other than health insurance) . . . . .		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17f, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17f, and 18b (itemize):		a Depreciation \$ . . . . .	
a Depreciation \$ . . . . .		8 Add lines 6 and 7 . . . . .	
b Travel and entertainment \$ . . . . .	18,250	9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 . . . . .	(17,728)
SEE SCHEDULE 18,250	18,250		
5 Add lines 1 through 4 . . . . .	(17,728)		

**Schedule M-2 Analysis of Partners' Capital Accounts** (Not required if Question 5 on Schedule B is answered "Yes.")

1 Balance at beginning of year . . . . .	(16,288)	6 Distributions: a Cash . . . . .	8,144	8,144
2 Capital contributed during year . . . . .	8,144	b Property . . . . .		
3 Net income (loss) per books . . . . .	(35,999)	7 Other decreases (itemize): . . . . .		
4 Other increases (itemize): . . . . .		8 Add lines 6 and 7 . . . . .		8,144
5 Add lines 1 through 4 . . . . .	(44,143)	9 Balance at end of year. Subtract line 8 from line 5 . . . . .		(52,287)



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

Partner's identifying number ▶ **001-17-0001**

Partnership's identifying number ▶ **52:0000017**

Partner's name, address, and ZIP code # **1**

Partnership's name, address, and ZIP code

**JUDI DOOTI  
10 PONY PARK  
PONYTOWN, MD 21042**

**OBIE SWEET HORSE LIMITED PARTNERSHIP  
17 ANY STREET  
ANYTOWN, MD 21042**

**A** This partner is a  general partner  limited partner  
 limited liability company member

**F** Partner's share of liabilities (see instructions):  
Nonrecourse . . . . . \$ .....  
Qualified nonrecourse financing . . . . . \$ **136,732**  
Other . . . . . \$ .....

**B** What type of entity is this partner? ▶ **INDIVIDUAL**

**C** Is this partner a  domestic or a  foreign partner?

**D** Enter partner's percentage of:  
Profit sharing . . . . . **50.0000** % **50.0000** %  
Loss sharing . . . . . **50.0000** % **50.0000** %  
Ownership of capital . . . . . **50.0000** % **50.0000** %  
(i) Before change or termination (ii) End of year

**G** Tax shelter registration number . ▶ .....

**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .

**E** IRS Center where partnership filed return: **PHILADELPHIA**

**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
<b>(8,144)</b>		<b>(17,999)</b>	<b>( 0 )</b>	<b>(26,143)</b>

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	<b>1</b> Ordinary income (loss) from trade or business activities . . . . .	<b>1</b> <b>(8,814)</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>2</b> Net income (loss) from rental real estate activities . . . . .	<b>2</b>	
	<b>3</b> Net income (loss) from other rental activities . . . . .	<b>3</b> <b>2,119</b>	
	<b>4</b> Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f)
	<b>a</b> Interest . . . . .	<b>4a</b>	
	<b>b</b> Ordinary dividends . . . . .	<b>4b</b>	
	<b>c</b> Royalties . . . . .	<b>4c</b>	
	<b>d</b> Net short-term capital gain (loss) . . . . .	<b>4d</b>	
	<b>e</b> Net long-term capital gain (loss):		
	<b>(1)</b> 28% rate gain (loss) . . . . .	<b>e(1)</b>	} Sch. D, line 12, col. (g) Sch. D, line 12, col. (f)
	<b>(2)</b> Total for year. . . . .	<b>e(2)</b>	
	<b>f</b> Other portfolio income (loss) (attach schedule) . . . . .	<b>4f</b>	} Enter on applicable line of your return.
	<b>5</b> Guaranteed payments to partner . . . . .	<b>5</b>	
<b>6</b> Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	<b>6</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
<b>7</b> Other income (loss) (attach schedule) . . . . .	<b>7</b>		
<b>Deductions</b>	<b>8</b> Charitable contributions (see instructions) (attach schedule) . . . . .	<b>8</b>	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>9</b> Section 179 expense deduction . . . . .	<b>9</b>	
	<b>10</b> Deductions related to portfolio income (attach schedule) . . . . .	<b>10</b>	
	<b>11</b> Other deductions (attach schedule) . . . . .	<b>11</b> <b>2,169</b>	
<b>Credits</b>	<b>12a</b> Low-income housing credit:		} Form 8586, line 5
	<b>(1)</b> From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	<b>a(1)</b>	
	<b>(2)</b> Other than on line 12a(1) for property placed in service before 1990 . . . . .	<b>a(2)</b>	
	<b>(3)</b> From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	<b>a(3)</b>	
	<b>(4)</b> Other than on line 12a(3) for property placed in service after 1989 . . . . .	<b>a(4)</b>	
	<b>b</b> Qualified rehabilitation expenditures related to rental real estate activities . . . . .	<b>12b</b>	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>c</b> Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	<b>12c</b>	
	<b>d</b> Credits related to other rental activities . . . . .	<b>12d</b>	
<b>13</b> Other credits . . . . .	<b>13</b> <b>12,136</b>		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:	
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1)		
		(2) Investment expenses included on line 10 . . . . .	b(2)		
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	b	Gross farming or fishing income . . . . .	15b		
	c	Gross nonfarm income . . . . .	15c		
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.	
	b	Adjusted gain or loss . . . . .	16b		
	c	Depletion (other than oil and gas) . . . . .	16c		
	d	(1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)		
	e	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)		
	e	Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶ . . . . .	17a	} Form 1116, Part I	
	b	Total gross income sourced at partner level . . . . .	17b		
	c	Total gross income sourced at partnership level (attach schedule):	(1) U.S. source and listed categories . . . . .		17c(1)
			(2) Passive . . . . .		17c(2)
			(3) General limitation . . . . .		17c(3)
	d	Deductions allocated and apportioned at partner level:	(1) Interest expense . . . . .		17d(1)
			(2) Other . . . . .		17d(2)
	e	Deductions allocated and apportioned at partnership level (attach schedule):	(1) U.S. source and listed categories . . . . .		17e(1)
			(2) Passive . . . . .		17e(2)
			(3) General limitation . . . . .		17e(3)
f	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f	Form 1116, Part II		
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .		Form 1116, Part III and Instructions for Form 1116.		
Other	18	Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	b	Amount . . . . .	18b		
	19	Tax-exempt interest income . . . . .	19	Form 1040, line 8b	
	20	Other tax-exempt income . . . . .	20	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).	
	21	Nondeductible expenses . . . . .	21		
	22	Distributions of money (cash and marketable securities) . . . . .	22		
	23	Distributions of property other than money . . . . .	23	} Form 8611, line 8	
24	Recapture of low-income housing credit:	a From section 42(j)(5) partnerships . . . . .	24a		
		b Other than on line 24a . . . . .	24b		
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):			
		LINE 13- OTHER CREDITS	LINE 11- OTHER DEDUCTIONS		
		FORM 5884 WORK OPPORTUNITY CREDIT 3,000	CASUALTY/THEFT LOSS	2,169	
		FORM 8826 - DISABLED ACCESS CREDIT 2,500	TOTAL	2,169	
		FORM 8834 - QUALIFIED ELECTRIC VEHICLE 511			
		FORM 8861 - WELFARE -TO-WORK CREDIT 6,125			
		TOTAL 12,136			
		ITEM J(C)- CAPITAL ACCOUNT ADJUSTMENTS:			
		ORDINARY INCOME (LOSS)	(8,814)		
		NET INCOME (LOSS)FROM OTHER RENTALS	2,119		
	OTHER DEDUCTIONS	(2,169)			
	NONDEDUCTIBLE EXPENSES	(9,136)			
	ROUNDING	1			
	TOTAL	(17,999)			



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-17-0002

**Partnership's identifying number** ▶ 52:000017

Partner's name, address, and ZIP code # 2

Partnership's name, address, and ZIP code

NIKI WIKI  
10 O.B. SWEET STREET  
ANYTOWN, MD 21042

OBIE SWEET HORSE LIMITED PARTNERSHIP  
17 ANY STREET  
ANYTOWN, MD 21042

- A** This partner is a  general partner  limited partner  
 limited liability company member
- B** What type of entity is this partner? ▶ **INDIVIDUAL**
- C** Is this partner a  domestic or a  foreign partner?
- D** Enter partner's percentage of:
 

	(i) Before change or termination	(ii) End of year
Profit sharing . . . . .	50.0000 %	0 %
Loss sharing . . . . .	50.0000 %	0 %
Ownership of capital . . . . .	50.0000 %	0 %
- E** IRS Center where partnership filed return: **PHILADELPHIA**

- F** Partner's share of liabilities (see instructions):
 

Nonrecourse . . . . .	\$	.....
Qualified nonrecourse financing . . . . .	\$	.....
Other . . . . .	\$	.....
- G** Tax shelter registration number . . . . . ▶
- H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .
- I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
(8,144)	8,144		( )	

	(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	1 Ordinary income (loss) from trade or business activities . . . . .	1	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2	
	3 Net income (loss) from other rental activities . . . . .	3	
	4 Portfolio income (loss):	/	} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f)
	a Interest . . . . .	4a	
	b Ordinary dividends . . . . .	4b	
	c Royalties . . . . .	4c	
	d Net short-term capital gain (loss) . . . . .	4d	
	e Net long-term capital gain (loss):	/	
	(1) 28% rate gain (loss) . . . . .	e(1)	} Sch. D, line 12, col. (g)
	(2) Total for year. . . . .	e(2)	} Sch. D, line 12, col. (f)
f Other portfolio income (loss) (attach schedule) . . . . .	4f	} Enter on applicable line of your return.	
5 Guaranteed payments to partner . . . . .	5	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6		
7 Other income (loss) (attach schedule) . . . . .	7		} Enter on applicable line of your return.
<b>Deductions</b>	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8	} Sch. A, line 15 or 16
	9 Section 179 expense deduction . . . . .	9	} See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	10 Deductions related to portfolio income (attach schedule) . . . . .	10	
	11 Other deductions (attach schedule) . . . . .	11	
<b>Credits</b>	12a Low-income housing credit:	/	} Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
	d Credits related to other rental activities . . . . .	12d	
13 Other credits . . . . .	13		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1)	
		(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Gross farming or fishing income . . . . .	15b	
	c	Gross nonfarm income . . . . .	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b	Adjusted gain or loss . . . . .	16b	
	c	Depletion (other than oil and gas) . . . . .	16c	
	d	(1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
		(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
e	Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶ . . . . .	17a	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.
	b	Total gross income sourced at partner level . . . . .	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
		(1) U.S. source and listed categories . . . . .	17c(1)	
		(2) Passive . . . . .	17c(2)	
		(3) General limitation . . . . .	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
		(1) Interest expense . . . . .	17d(1)	
		(2) Other . . . . .	17d(2)	
	e	Deductions allocated and apportioned at partnership level (attach schedule):		
	(1) U.S. source and listed categories . . . . .	17e(1)		
	(2) Passive . . . . .	17e(2)		
	(3) General limitation . . . . .	17e(3)		
f	Total foreign taxes (check one): ▶ <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	18	Section 59(e)(2) expenditures: a Type ▶ . . . . .		} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Amount . . . . .	18b	
	19	Tax-exempt interest income . . . . .	19	Form 1040, line 8b
	20	Other tax-exempt income . . . . .	20	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	21	Nondeductible expenses . . . . .	21	
	22	Distributions of money (cash and marketable securities) . . . . .	22	
	23	Distributions of property other than money . . . . .	23	
	24	Recapture of low-income housing credit:		} Form 8611, line 8
a	From section 42(j)(5) partnerships . . . . .	24a		
b	Other than on line 24a . . . . .	24b		
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed): ..... ..... ..... ..... ..... ..... ..... ..... ..... .....		



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-17-0003

**Partnership's identifying number** ▶ 52:0000017

Partner's name, address, and ZIP code # 3

Partnership's name, address, and ZIP code

**BARBARA MAY GUNN**  
10 ANY PARKWAY  
ANY CITY, MO 64114

**OBIE SWEET HORSE LIMITED PARTNERSHIP**  
17 ANY STREET  
ANYTOWN, MD 21042

**A** This partner is a  general partner  limited partner  
 limited liability company member

**F** Partner's share of liabilities (see instructions):  
Nonrecourse . . . . . \$ .....  
Qualified nonrecourse financing . . . . . \$ **136,732**  
Other . . . . . \$ .....

**B** What type of entity is this partner? ▶ **INDIVIDUAL**

**C** Is this partner a  domestic or a  foreign partner?

**D** Enter partner's percentage of: (i) Before change or termination (ii) End of year

Profit sharing . . . . . **0.0000** % **50.0000** %

Loss sharing . . . . . **0.0000** % **50.0000** %

Ownership of capital . . . . . **0.0000** % **50.0000** %

**G** Tax shelter registration number . . . . . ▶ .....

**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .

**E** IRS Center where partnership filed return: **PHILADELPHIA**

**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
		<b>(18,000)</b>	<b>( 8,144 )</b>	<b>(26,144)</b>

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	<b>1</b> Ordinary income (loss) from trade or business activities . . . . .	<b>1</b> <b>(8,815)</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>2</b> Net income (loss) from rental real estate activities . . . . .	<b>2</b>	
	<b>3</b> Net income (loss) from other rental activities . . . . .	<b>3</b> <b>2,119</b>	
	<b>4</b> Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	<b>a</b> Interest . . . . .	<b>4a</b>	
	<b>b</b> Ordinary dividends . . . . .	<b>4b</b>	
	<b>c</b> Royalties . . . . .	<b>4c</b>	
<b>d</b> Net short-term capital gain (loss) . . . . .	<b>4d</b>		
<b>e</b> Net long-term capital gain (loss):			
<b>(1)</b> 28% rate gain (loss) . . . . .	<b>e(1)</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
<b>(2)</b> Total for year. . . . .	<b>e(2)</b>		
<b>f</b> Other portfolio income (loss) (attach schedule) . . . . .	<b>4f</b>	} Enter on applicable line of your return.	
<b>5</b> Guaranteed payments to partner . . . . .	<b>5</b>		
<b>6</b> Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	<b>6</b>	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
<b>7</b> Other income (loss) (attach schedule) . . . . .	<b>7</b>		
<b>Deductions</b>	<b>8</b> Charitable contributions (see instructions) (attach schedule) . . . . .	<b>8</b>	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>9</b> Section 179 expense deduction . . . . .	<b>9</b>	
	<b>10</b> Deductions related to portfolio income (attach schedule) . . . . .	<b>10</b>	
	<b>11</b> Other deductions (attach schedule) . . . . .	<b>11</b> <b>2,168</b>	
<b>Credits</b>	<b>12a</b> Low-income housing credit:		} Form 8586, line 5
	<b>(1)</b> From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	<b>a(1)</b>	
	<b>(2)</b> Other than on line 12a(1) for property placed in service before 1990 . . . . .	<b>a(2)</b>	
	<b>(3)</b> From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	<b>a(3)</b>	
	<b>(4)</b> Other than on line 12a(3) for property placed in service after 1989 . . . . .	<b>a(4)</b>	
	<b>b</b> Qualified rehabilitation expenditures related to rental real estate activities . . . . .	<b>12b</b>	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>c</b> Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	<b>12c</b>	
	<b>d</b> Credits related to other rental activities . . . . .	<b>12d</b>	
<b>13</b> Other credits . . . . .	<b>13</b> <b>12,135</b>		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:	
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1)		
		(2) Investment expenses included on line 10 . . . . .	b(2)		
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	b	Gross farming or fishing income . . . . .	15b		
	c	Gross nonfarm income . . . . .	15c		17,632
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.	
	b	Adjusted gain or loss . . . . .	16b		
	c	Depletion (other than oil and gas) . . . . .	16c		
	d	(1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)		
	e	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)		
	e	Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶ . . . . .	17a	} Form 1116, Part I	
	b	Total gross income sourced at partner level . . . . .	17b		
	c	Total gross income sourced at partnership level (attach schedule):	(1) U.S. source and listed categories . . . . .		17c(1)
			(2) Passive . . . . .		17c(2)
			(3) General limitation . . . . .		17c(3)
	d	Deductions allocated and apportioned at partner level:	(1) Interest expense . . . . .		17d(1)
			(2) Other . . . . .		17d(2)
	e	Deductions allocated and apportioned at partnership level (attach schedule):	(1) U.S. source and listed categories . . . . .		17e(1)
			(2) Passive . . . . .		17e(2)
			(3) General limitation . . . . .		17e(3)
f	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f	17f	} Form 1116, Part II	
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			} Form 1116, Part III and Instructions for Form 1116.	
Other	18	Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	b	Amount . . . . .	18b		
	19	Tax-exempt interest income . . . . .	19	Form 1040, line 8b	
	20	Other tax-exempt income . . . . .	20	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).	
	21	Nondeductible expenses . . . . .	21		9,135
	22	Distributions of money (cash and marketable securities) . . . . .	22		8,144
	23	Distributions of property other than money . . . . .	23		
24	Recapture of low-income housing credit:	a From section 42(j)(5) partnerships . . . . .	24a	} Form 8611, line 8	
		b Other than on line 24a . . . . .	24b		
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):			
		LINE 13- OTHER CREDITS	LINE 11- OTHER DEDUCTIONS		
		FORM 5884 WORK OPPORTUNITY CREDIT 3,000	CASUALTY/THEFT LOSS OR INCOME 2,168		
		FORM 8826 - DISABLED ACCESS CREDIT 2,500	TOTAL 2,168		
		FORM 8834 - QUALIFIED ELECTRIC VEHICLE 510			
		FORM 8861 - WELFARE -TO-WORK CREDIT 6,125			
		TOTAL 12,135			
		ITEM J(C)- CAPITAL ACCOUNT ADJUSTMENTS:			
		ORDINARY INCOME (LOSS)	(8,814)		
		NET INCOME (LOSS)FROM OTHER RENTALS	2,119		
	OTHER DEDUCTIONS	(2,169)			
	NONDEDUCTIBLE EXPENSES	(9,136)			
	ROUNDING	1			
	TOTAL	(17,999)			



**TEST #18**

**FORMS REQUIRED: 1065, A (8609), D (1065), 4562, 4797, 8283, 8586,  
8609, 8611, 8825, 2 K-1s (1065)**

**FORM 1065, PAGE 1: IDENTIFYING INFORMATION**

**NAME OF PARTNERSHIP:**

HOUSING LIMITED PARTNERSHIP  
18 ANY STREET  
ANYTOWN, WI 53285

**NAME OF PREPARER:**

ELECTRONIC TAX FILERS, INC.  
100 TECHO DRIVE  
RAINTOWN, WA 98530

EIN: 52-0000099  
PREPARER SSN: 001-99-0001

**FORM 1065, PAGE 1:**

LINE A: RENTAL UNITS  
LINE B: HOUSING  
LINE C: 531110  
LINE D: 52-0000018  
LINE E: 05/09/91  
LINE H(2): X

**FORM 1065, PAGE 2, SCHEDULE A:**

LINE 9(d): NO  
LINE 9(e): NO

**FORM 1065, PAGE 2, SCHEDULE B:**

LINE 1b: X  
LINE 2: NO  
LINE 3: NO  
LINE 4: NO  
LINE 5: NO  
LINE 6: NO  
LINE 7: NO  
LINE 8: NO  
LINE 9: NO  
LINE 10: NO  
LINE 11: NO  
LINE 12: 0

**TEST # 18 (Continued):**

**FORM 1065, PAGE 2 (DESIGNATION OF TAX MATTERS PARTNER):**

NAME OF DESIGNATED TMP:	EDWIN KOPPISCH
IDENTIFYING NUMBER OF DESIGNATED TMP:	001-18-0001
ADDRESS OF DESIGNATED TMP:	4215 ANYLAKE AVENUE ANYFISH BAY, WI 53290

**FORM 1065, PAGE 3, SCHEDULE K:**

<b>LINE 4a:</b>	35743	
<b>LINE 4b:</b>	25840	
<b>LINE 8 (STM 01):</b>		
MARQUETTE UNIVERSITY		1750
GOLDA MEIR FOUNDATION (SEE FORM 8283)		3550
MILLER FIELD VICTIMS RELIEF FUND		4750

**FORM 1065, PAGE 4, SCHEDULE L:**

<b>LINE 1(b):</b>	297698	
<b>LINE 1(d):</b>	14408	
<b>LINE 2a(a):</b>	1255	
<b>LINE 2a(c):</b>	301542	
<b>LINE 2b(a):</b>	250	
<b>LINE 2b(c):</b>	250	
<b>LINE 4(b):</b>	20000	
<b>LINE 4(d):</b>	50000	
<b>LINE 5(b):</b>	36000	
<b>LINE 5(d):</b>	36000	
<b>LINE 6(b) (STM 02):</b>		
PREPAID OFFICE INSURANCE		12865
DUE FROM RELATED PROPERTIES		54865
ACCRUED INTEREST RECEIVABLE		1256
DIVIDENDS RECEIVABLE		1050
<b>LINE 6(d) (STM 03):</b>		
PREPAID OFFICE INSURANCE		13520
DUE FROM RELATED PROPERTIES		44518
ACCRUED INTEREST RECEIVABLE		1231
DIVIDENDS RECEIVABLE		1075
<b>LINE 7(b):</b>	423505	
<b>LINE 7(d):</b>	399132	
<b>LINE 8(b) (STM 04):</b>		
CORPORATE STOCKS		595785
CORPORATE BONDS		485085
<b>LINE 8(d) (STM 05):</b>		
CORPORATE STOCKS		623585

**TEST # 18 (Continued):**

**FORM 1065, PAGE 4, SCHEDULE L (Continued):**

**LINE 8(d) (STM 05) (Continued):**

CORPORATE BONDS 560521

LINE 9a(a): 13548680

LINE 9a(c): 13548680

LINE 9b(a): 4856085

LINE 9b(c): 5204706

LINE 11b: 1237753

LINE 11d: 1237753

**LINE 13(b) (STM 06):**

PERFORMANCE GUARANTY BONDS 12750

**LINE 13(d) (STM 07):**

PERFORMANCE GUARANTY BONDS 53254

LINE 15(b): 935435

LINE 15(d): 1015685

LINE 16(b): 345856

LINE 16(d): 365742

**LINE 17(b) (STM 08):**

ACCRUED SALARIES 11425

PAYROLL TAXES PAYABLE 5602

CLIENT RETAINER FEES 14500

**LINE 17(d) (STM 09):**

ACCRUED SALARIES 10851

PAYROLL TAXES PAYABLE 5800

CLIENT RETAINER FEES 39850

LINE 19(b): 8304223

LINE 19(d): 7958367

**FORM 1065, PAGE 4, SCHEDULE M-1:**

LINE 1: 653797

**FORM 1065, PAGE 4, SCHEDULE M-2:**

LINE 1: 2255171

LINE 3: 653797

LINE 6a: 625000

**SCHEDULE A (FORM 8609):**

LINE C: BUILDING 1DN WI91-0005

LINE 1: 0

LINE 2: 0.8800

LINE 5: 0.0391

**TEST # 18 (Continued):**

**SCHEDULE A (FORM 8609) (Continued):**

LINE 16: 0

**SCHEDULE D (FORM 1065), PART II:**

LINE 6(a): 500 SH HARLEY-DAVIDSON  
LINE 6(b): 06/12/93  
LINE 6(c): 09/23/00  
LINE 6(d): 39250  
LINE 6(e): 32765

**FORM 4562 (FOR FORM 8825):**

LINE 17: 348621

**FORM 4562, PART V, SECTION C:**

LINE 35 NO  
LINE 36 NO  
LINE 37 NO  
LINE 38 NO  
LINE 39 NO

**FORM 4797, PART I:**

LINE 1: 245000  
LINE 2(a): APT BLDG  
LINE 2(b): 06/30/91  
LINE 2(c): 09/12/00  
LINE 2(d): 245000  
LINE 2(e): 151203  
LINE 2(f): 255545

**FORM 8283, PART I:**

LINE 1A(a): GOLDA MEIR FOUNDATION  
3611 ANY AVENUE  
ANYTOWN, WI 53285  
LINE 1A(b): FOOD AND CLOTHING  
LINE 1A(c): 9/23/00  
LINE 1A(d): VARIOUS  
LINE 1A(e): PURCHASE  
LINE 1A(f): 3550  
LINE 1A(g): 3550  
LINE 1A(h): SALVATION ARMY GUIDE

**TEST # 18 (Continued):**

**FORM 8586, PART I:**

LINE 1: 1  
LINE 2: 0  
LINE 3(a): 0  
LINE 3(b): YES  
LINE 3(b)i: WI91-0005  
LINE 4: 0

**FORM 8609, PART I:**

LINE A: 1732 ANY AVENUE  
ANYTOWN, WI 53295  
LINE B: WISCONSIN HOUSING AGENCY  
4127 ANY AVENUE  
ANYTOWN, WI 53280  
LINE C: HOUSING LIMITED PARTNERSHIP  
18 ANY STREET  
ANYTOWN, WI 53285  
LINE C: TIN 52-0000018  
LINE D: 52-8002050  
LINE E: WI91-0005  
LINE 1a: 6/30/91  
LINE 1b: 10400  
LINE 2: 4.00%  
LINE 3a: 260000  
LINE 4: 0%  
LINE 5: 6/30/91  
LINE 6a: X

**FORM 8609, PART II:**

LINE 7a: 6/30/91  
LINE 7b: 255545  
LINE 8a: 255545  
LINE 8b: Yes  
LINE 9a: No  
LINE 9b: No  
LINE 10a: No  
LINE 10c: 40-60

**TEST # 18 (Continued):**

**FORM 8611:**

**LINE A:** HOUSING LIMITED PARTNERSHIP  
**LINE B:** 52-000018  
**LINE C:** 18 ANY STREET  
ANYTOWN, WI 53285  
**LINE D:** WI91-0005  
**LINE E:** 6/30/91  
**LINE 1:** 66433  
**LINE 2:** 0  
**LINE 4:** 0.333  
**LINE 6:** 100%  
**LINE 11:** 7357

**FORM 8825:**

**LINE A:** SCATTERED SITE APARTMENTS  
1700-1730 ANY AVENUE, ANYTOWN, WI 53295  
**LINE 2(A):** 3126015  
**LINE 3(A):** 28790  
**LINE 4(A):** 50083  
**LINE 5(A):** 160340  
**LINE 6(A):** 24996  
**LINE 7(A):** 73551  
**LINE 8(A):** 25260  
**LINE 9(A):** 56436  
**LINE 10(A):** 282626  
**LINE 11(A):** 438930  
**LINE 12(A):** 404908  
**LINE 13(A):** 531485  
**LINE 14(A):** 348621 (FROM FORM 4562, PART IV, LINE 21)  
**LINE 15(A):** TELEPHONE 59910  
SUBCONTRACTORS 184958

**SCHEDULE K-1 (FORM 1065) #1:**

**PARTNER'S IDENTIFYING NUMBER:** 001-18-0001  
**PARTNER'S NAME:** EDWIN KOPPISCH  
**PARTNER'S ADDRESS:** 4215 ANYLAKE AVENUE  
ANYFISH BAY, WI 53290

**LINE A:** GENERAL PARTNER  
**LINE B:** INDIVIDUAL  
**LINE C:** DOMESTIC  
**LINE D(i):** PROFIT SHARING 55.00000%

**TEST # 18 (Continued):**

**SCHEDULE K-1 (FORM 1065) #1 (Continued):**

	LOSS SHARING	55.00000%	
	OWNERSHIP OF CAPITAL	55.00000%	
<b>LINE D(ii):</b>	PROFIT SHARING	55.00000%	
	LOSS SHARING	55.00000%	
	OWNERSHIP OF CAPITAL	55.00000%	
<b>LINE E:</b>	KANSAS CITY, MO.		
<b>LINE F:</b>	QUALIFIED NONRECOURSE FINANCING		4578260
	OTHER		1072186
<b>LINE J(a):</b>	1185612		
<b>LINE J(c):</b>	359588		
<b>LINE J(d):</b>	343750		

**SCHEDULE K-1 (FORM 1065) #2:**

	PARTNER'S IDENTIFYING NUMBER:	001-18-0002	
	PARTNER'S NAME:	AGELESS WONDER	
	PARTNER'S ADDRESS:	11525 ANY HIGHWAY	
		ANYTOWN, WI 53711	
<b>LINE A:</b>	LIMITED PARTNER		
<b>LINE B:</b>	INDIVIDUAL		
<b>LINE C:</b>	DOMESTIC		
<b>LINE D(i):</b>	PROFIT SHARING	45.00000%	
	LOSS SHARING	45.00000%	
	OWNERSHIP OF CAPITAL	45.00000%	
<b>LINE D(ii):</b>	PROFIT SHARING	45.00000%	
	LOSS SHARING	45.00000%	
	OWNERSHIP OF CAPITAL	45.00000%	
<b>LINE E:</b>	KANSAS CITY, MO.		
<b>LINE F:</b>	QUALIFIED NONRECOURSE FINANCING		3745849
<b>LINE J(a):</b>	1069559		
<b>LINE J(c):</b>	294209		
<b>LINE J(d):</b>	281250		

# U.S. Return of Partnership Income

OMB No. 1545-0099

For calendar year 2000, or tax year beginning \_\_\_\_\_, 2000, and ending \_\_\_\_\_, 20\_\_\_\_  
▶ See separate instructions.

**2000**

<b>A</b> Principal business activity <b>RENTAL UNITS</b>	<b>Use the IRS label. Otherwise, please print or type.</b>	Name of partnership <b>HOUSING LIMITED PARTNERSHIP</b>	<b>D</b> Employer identification number <b>52:0000018</b>
<b>B</b> Principal product or service <b>HOUSING</b>		Number, street, and room or suite no. If a P.O. box, see page 12 of the instructions. <b>18 ANY STREET</b>	<b>E</b> Date business started <b>5/09/91</b>
<b>C</b> Business code number <b>531110</b>		City or town, state, and ZIP code <b>ANYTOWN, WI 53285</b>	<b>F</b> Total assets (see page 12 of the instructions) \$ <b>11,680,263</b>

**G** Check applicable boxes: (1)  Initial return (2)  Final return (3)  Change in address (4)  Amended return

**H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_

**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ \_\_\_\_\_ **2**

**Caution:** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b>			
	<b>b</b> Less returns and allowances . . . . .	<b>1b</b>			<b>1c</b>
<b>Income</b>	<b>2</b> Cost of goods sold (Schedule A, line 8) . . . . .				<b>2</b>
	<b>3</b> Gross profit. Subtract line 2 from line 1c . . . . .				<b>3</b>
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule) . . . . .				<b>4</b>
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .				<b>5</b>
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 18. . . . .				<b>6</b>
	<b>7</b> Other income (loss) (attach schedule) . . . . .				<b>7</b>
	<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .				
<b>Deductions</b> (see page 14 of the instructions for limitations)	<b>9</b> Salaries and wages (other than to partners) (less employment credits) . . . . .				<b>9</b>
	<b>10</b> Guaranteed payments to partners . . . . .				<b>10</b>
	<b>11</b> Repairs and maintenance . . . . .				<b>11</b>
	<b>12</b> Bad debts . . . . .				<b>12</b>
	<b>13</b> Rent . . . . .				<b>13</b>
	<b>14</b> Taxes and licenses . . . . .				<b>14</b>
	<b>15</b> Interest . . . . .				<b>15</b>
	<b>16a</b> Depreciation (if required, attach Form 4562) . . . . .	<b>16a</b>			
	<b>b</b> Less depreciation reported on Schedule A and elsewhere on return . . . . .	<b>16b</b>			<b>16c</b>
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .				<b>17</b>
	<b>18</b> Retirement plans, etc. . . . .				<b>18</b>
<b>19</b> Employee benefit programs . . . . .				<b>19</b>	
<b>20</b> Other deductions (attach schedule) . . . . .				<b>20</b>	
<b>21 Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20 . . . . .					<b>21</b>
<b>22 Ordinary income (loss)</b> from trade or business activities. Subtract line 21 from line 8 . . . . .					<b>22</b>

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

**Please Sign Here**

▶ Signature of general partner or limited liability company member      ▶ Date

**Paid Preparer's Use Only**

Preparer's signature ▶ \_\_\_\_\_ Date \_\_\_\_\_ Check if self-employed  Preparer's SSN or PTIN **001-99-0001**

Firm's name (or yours if self-employed), address, and ZIP code ▶ **ELECTRONIC TAX FILERS, INC.** EIN ▶ **52:0000099**

**100 TECO DRIVE RAIN TOWN, WA 98530** Phone no. ( ) \_\_\_\_\_

**Schedule A Cost of Goods Sold** (see page 17 of the instructions)

1	Inventory at beginning of year . . . . .	1		
2	Purchases less cost of items withdrawn for personal use . . . . .	2		
3	Cost of labor . . . . .	3		
4	Additional section 263A costs (attach schedule) . . . . .	4		
5	Other costs (attach schedule) . . . . .	5		
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6		
7	Inventory at end of year . . . . .	7		
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8		

- 9a Check all methods used for valuing closing inventory:
- (i)  Cost as described in Regulations section 1.471-3
  - (ii)  Lower of cost or market as described in Regulations section 1.471-4
  - (iii)  Other (specify method used and attach explanation) ▶ .....
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c). . . . ▶
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . ▶
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? . .  Yes  No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information**

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input type="checkbox"/> Domestic general partnership		
b <input checked="" type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶ .....		
2 Are any partners in this partnership also partnerships? . . . . .		X
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment . . . . .		X
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see <b>Designation of Tax Matters Partner</b> below . . . . .		X
5 Does this partnership meet <b>all three</b> of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000; <b>and</b>		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 . . . . .		X
6 Does this partnership have any foreign partners? . . . . .		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? . . . . .		X
8 Has this partnership filed, or is it required to file, <b>Form 8264</b> , Application for Registration of a Tax Shelter? . . . . .		X
9 At any time during calendar year 2000, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 18 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶ .....		X
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 18 of the instructions . . . . .		X
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under <b>Elections Made By the Partnership</b> on page 7 of the instructions . . . . .		X
12 Enter the number of Forms 8865 attached to this return ▶ .....		0

**Designation of Tax Matters Partner** (see page 18 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶	<b>EDWIN KOPPISCH</b>	Identifying number of TMP ▶	<b>001-18-0001</b>
Address of designated TMP ▶	<b>4215 ANYLAKE AVENUE ANYFISH BAY, WI 53290</b>		

**Schedule K Partners' Shares of Income, Credits, Deductions, etc.**

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 22)	1	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	455,121
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):		
	a	Interest income	4a	35,743
	b	Ordinary dividends	4b	25,840
	c	Royalty income	4c	
	d	Net short-term capital gain (loss) (attach Schedule D (Form 1065))	4d	
	e	Net long-term capital gain (loss) (attach Schedule D (Form 1065)):		
	(1)	28% rate gain (loss)	4e(1)	
	(2)	Total for year	4e(2)	6,485
f	Other portfolio income (loss) (attach schedule)	4f		
5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6	140,658	
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	10,050
	9	Section 179 expense deduction (attach Form 4562)	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12a(1)	
	(2)	Other than on line 12a(1) for property placed in service before 1990	12a(2)	
	(3)	From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12a(3)	
	(4)	Other than on line 12a(3) for property placed in service after 1989	12a(4)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
d	Credits related to other rental activities	12d		
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	61,583
	(2)	Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d (1)	Gross income from oil, gas, and geothermal properties	16d(1)	
	(2)	Deductions allocable to oil, gas, and geothermal properties	16d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession		
	b	Total gross income sourced at partner level	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
	(1)	U.S. source and listed categories	17c(1)	
	(2)	Passive	17c(2)	
	(3)	General limitation	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
	(1)	Interest expense	17d(1)	
(2)	Other	17d(2)		
e	Deductions allocated and apportioned at partnership level (attach schedule):			
(1)	U.S. source and listed categories	17e(1)		
(2)	Passive	17e(2)		
(3)	General limitation	17e(3)		
f	Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17f		
g	Reduction in taxes available for credit (attach schedule)	17g		
Other	18	Section 59(e)(2) expenditures: a Type b Amount	18b	
	19	Tax-exempt interest income	19	
	20	Other tax-exempt income	20	
	21	Nondeductible expenses	21	
	22	Distributions of money (cash and marketable securities)	22	625,000
	23	Distributions of property other than money	23	
	24	Other items and amounts required to be reported separately to partners (attach schedule)		

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17f, and 18b . . . . .						1	<b>653,797</b>
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners	<b>359,591</b>						
b Limited partners	<b>294,206</b>						

**Schedule L Balance Sheets per Books** (Not required if Question 5 on Schedule B is answered "Yes.")

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash . . . . .		<b>297,698</b>		<b>14,408</b>
2a Trade notes and accounts receivable . . . . .	<b>1,255</b>		<b>301,542</b>	
b Less allowance for bad debts . . . . .	<b>250</b>	<b>1,005</b>	<b>250</b>	<b>301,292</b>
3 Inventories . . . . .				
4 U.S. government obligations . . . . .		<b>20,000</b>		<b>50,000</b>
5 Tax-exempt securities . . . . .		<b>36,000</b>		<b>36,000</b>
6 Other current assets (attach schedule) . . . . .		<b>70,036</b>		<b>60,344</b>
7 Mortgage and real estate loans . . . . .		<b>423,505</b>		<b>399,132</b>
8 Other investments (attach schedule) . . . . .		<b>1,080,870</b>		<b>1,184,106</b>
9a Buildings and other depreciable assets . . . . .	<b>13,548,680</b>			
b Less accumulated depreciation . . . . .	<b>4,856,085</b>	<b>8,692,595</b>		<b>8,343,974</b>
10a Depletable assets . . . . .				
b Less accumulated depletion . . . . .				
11 Land (net of any amortization) . . . . .		<b>1,237,753</b>		<b>1,237,753</b>
12a Intangible assets (amortizable only). . . . .			<b>13,548,680</b>	
b Less accumulated amortization . . . . .			<b>5,204,706</b>	
13 Other assets (attach schedule) . . . . .		<b>12,750</b>		<b>53,254</b>
14 <b>Total assets</b> . . . . .		<b>11,872,212</b>		<b>11,680,263</b>
<b>Liabilities and Capital</b>				
15 Accounts payable . . . . .		<b>935,435</b>		<b>1,015,685</b>
16 Mortgages, notes, bonds payable in less than 1 year . . . . .		<b>345,856</b>		<b>365,742</b>
17 Other current liabilities (attach schedule) . . . . .		<b>31,527</b>		<b>56,501</b>
18 All nonrecourse loans . . . . .				
19 Mortgages, notes, bonds payable in 1 year or more . . . . .		<b>8,304,223</b>		<b>7,958,367</b>
20 Other liabilities (attach schedule) . . . . .				
21 Partners' capital accounts . . . . .		<b>2,255,171</b>		<b>2,283,968</b>
22 <b>Total liabilities and capital</b> . . . . .		<b>11,872,212</b>		<b>11,680,263</b>

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return** (Not required if Question 5 on Schedule B is answered "Yes." See page 29 of the instructions.)

1 Net income (loss) per books . . . . .	<b>653,797</b>	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): . . . . .		a Tax-exempt interest \$ . . . . .	
3 Guaranteed payments (other than health insurance) . . . . .		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17f, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17f, and 18b (itemize):		a Depreciation \$ . . . . .	
a Depreciation \$ . . . . .		8 Add lines 6 and 7 . . . . .	
b Travel and entertainment \$ . . . . .		9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 . . . . .	<b>635,797</b>
5 Add lines 1 through 4 . . . . .	<b>653,797</b>		

**Schedule M-2 Analysis of Partners' Capital Accounts** (Not required if Question 5 on Schedule B is answered "Yes.")

1 Balance at beginning of year . . . . .	<b>2,255,171</b>	6 Distributions: a Cash . . . . .	<b>625,000</b>	<b>625,000</b>
2 Capital contributed during year . . . . .		b Property . . . . .		
3 Net income (loss) per books . . . . .	<b>653,797</b>	7 Other decreases (itemize): . . . . .		
4 Other increases (itemize): . . . . .		8 Add lines 6 and 7 . . . . .		<b>625,000</b>
5 Add lines 1 through 4 . . . . .	<b>2,908,968</b>	9 Balance at end of year. Subtract line 8 from line 5 . . . . .		<b>2,283,968</b>



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-18-0001

**Partnership's identifying number** ▶ 52:0000018

Partner's name, address, and ZIP code # 1  
**EDWIN KOPPISCH**  
4215 ANYLAKE AVENUE  
ANYFISH BAY, WI 53290

Partnership's name, address, and ZIP code  
**HOUSING LIMITED PARTNERSHIP**  
18 ANY STREET  
ANYTOWN, WI 53285

**A** This partner is a  general partner  limited partner  
 limited liability company member

**B** What type of entity is this partner? ▶ **INDIVIDUAL**

**C** Is this partner a  domestic or a  foreign partner?

**D** Enter partner's percentage of:  
 (i) Before change or termination (ii) End of year  
 Profit sharing . . . . . 55.00000 % 55.00000 %  
 Loss sharing . . . . . 55.00000 % 55.00000 %  
 Ownership of capital . . . . . 55.00000 % 55.00000 %

**E** IRS Center where partnership filed return: **KANSAS CITY**

**F** Partner's share of liabilities (see instructions):  
 Nonrecourse . . . . . \$ .....  
 Qualified nonrecourse financing . . . . . \$ **4,578,260**  
 Other . . . . . \$ **1,072,186**

**G** Tax shelter registration number . . . . . ▶ .....

**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .

**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
1,185,612		359,588	( 343,750 )	1,201,450

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	1 Ordinary income (loss) from trade or business activities . . . . .	1	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2 250,317	
	3 Net income (loss) from other rental activities . . . . .	3	
	4 Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	a Interest . . . . .	4a 19,659	
	b Ordinary dividends . . . . .	4b 14,212	
	c Royalties . . . . .	4c	
	d Net short-term capital gain (loss) . . . . .	4d	
	e Net long-term capital gain (loss):		
	(1) 28% rate gain (loss) . . . . .	e(1)	
	(2) Total for year. . . . .	e(2) 3,567	
	f Other portfolio income (loss) (attach schedule) . . . . .	4f	
	5 Guaranteed payments to partner . . . . .	5	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065). Enter on applicable line of your return.
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6 77,362		
7 Other income (loss) (attach schedule) . . . . .	7		
<b>Deductions</b>	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8 5,528	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	9 Section 179 expense deduction . . . . .	9	
	10 Deductions related to portfolio income (attach schedule) . . . . .	10	
	11 Other deductions (attach schedule) . . . . .	11	
<b>Credits</b>	12a Low-income housing credit:		} Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
	d Credits related to other rental activities . . . . .	12d	
13 Other credits . . . . .	13		

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a Interest expense on investment debts . . . . .	14a	Form 4952, line 1 See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b (1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1) 33,871	
	(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a Net earnings (loss) from self-employment . . . . .	15a	Sch. SE, Section A or B See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b Gross farming or fishing income . . . . .	15b	
	c Gross nonfarm income . . . . .	15c	
Adjustments and Tax Preference Items	16a Depreciation adjustment on property placed in service after 1986 . . . . .	16a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b Adjusted gain or loss . . . . .	16b	
	c Depletion (other than oil and gas) . . . . .	16c	
	d (1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
e Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a Name of foreign country or U.S. possession ▶ . . . . .	17a	Form 1116, Part I  Form 1116, Part II  Form 1116, Part III and Instructions for Form 1116.
	b Total gross income sourced at partner level . . . . .	17b	
	c Total gross income sourced at partnership level (attach schedule):		
	(1) U.S. source and listed categories . . . . .	17c(1)	
	(2) Passive . . . . .	17c(2)	
	(3) General limitation . . . . .	17c(3)	
	d Deductions allocated and apportioned at partner level:		
	(1) Interest expense . . . . .	17d(1)	
	(2) Other . . . . .	17d(2)	
	e Deductions allocated and apportioned at partnership level (attach schedule):		
	(1) U.S. source and listed categories . . . . .	17e(1)	
(2) Passive . . . . .	17e(2)		
(3) General limitation . . . . .	17e(3)		
f Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	18 Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b Amount . . . . .	18b	
	19 Tax-exempt interest income . . . . .	19	Form 1040, line 8b
	20 Other tax-exempt income . . . . .	20	See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	21 Nondeductible expenses . . . . .	21	
	22 Distributions of money (cash and marketable securities) . . . . .	22 343,750	
	23 Distributions of property other than money . . . . .	23	Form 8611, line 8
	24 Recapture of low-income housing credit:		
a From section 42(j)(5) partnerships . . . . .	24a		
b Other than on line 24a . . . . .	24b 16,216		
Supplemental Information	25 Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
	LINE 8 - CHARITABLE CONTRINUTIONS		
	MARQUETTE UNIVERSITY	963	
	GOLDA MEIR FOUNDATION(SEE FORM 8283)	1,953	
	MILLER FIELD VICTIMS RELIEF FUND	2,612	
	TOTAL	5,528	



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-18-0002      **Partnership's identifying number** ▶ 52:0000018

Partner's name, address, and ZIP code # 2  
**AGELESS WONDER**  
11525 ANY HIGHWAY  
ANYTOWN, WI 53711

Partnership's name, address, and ZIP code  
**HOUSING LIMITED PARTNERSHIP**  
18 ANY STREET  
ANYTOWN, WI 53285

**A** This partner is a  general partner  limited partner  
 limited liability company member

**B** What type of entity is this partner? ▶ **INDIVIDUAL**

**C** Is this partner a  domestic or a  foreign partner?

**D** Enter partner's percentage of:

	(i) Before change or termination	(ii) End of year
Profit sharing . . . . .	45.00000 %	45.00000 %
Loss sharing . . . . .	45.00000 %	45.00000 %
Ownership of capital . . . . .	45.00000 %	45.00000 %

**E** IRS Center where partnership filed return: **KANSAS CITY**

**F** Partner's share of liabilities (see instructions):

Nonrecourse . . . . .	\$	-----
Qualified nonrecourse financing . . . . .	\$	3,745,849
Other . . . . .	\$	-----

**G** Tax shelter registration number . . . . . ▶ -----

**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .

**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
1,069,559		294,209	( 281,250 )	1,082,518

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	1 Ordinary income (loss) from trade or business activities . . . . .	1	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2 204,804	
	3 Net income (loss) from other rental activities . . . . .	3	
	4 Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f)
	a Interest . . . . .	4a 16,084	
	b Ordinary dividends . . . . .	4b 11,628	
	c Royalties . . . . .	4c	
	d Net short-term capital gain (loss) . . . . .	4d	
	e Net long-term capital gain (loss):		
	(1) 28% rate gain (loss) . . . . .	e(1)	} Enter on applicable line of your return.
	(2) Total for year. . . . .	e(2) 2,918	
	f Other portfolio income (loss) (attach schedule) . . . . .	4f	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	5 Guaranteed payments to partner . . . . .	5	
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6 63,296	} Enter on applicable line of your return.	
7 Other income (loss) (attach schedule) . . . . .	7		
<b>Deductions</b>	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8 4,522	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	9 Section 179 expense deduction . . . . .	9	
	10 Deductions related to portfolio income (attach schedule) . . . . .	10	
	11 Other deductions (attach schedule) . . . . .	11	
<b>Credits</b>	12a Low-income housing credit:		} Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
	d Credits related to other rental activities . . . . .	12d	
13 Other credits . . . . .	13		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1) 27,712	
		(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a	Sch. SE, Section A or B See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Gross farming or fishing income . . . . .	15b	
	c	Gross nonfarm income . . . . .	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b	Adjusted gain or loss . . . . .	16b	
	c	Depletion (other than oil and gas) . . . . .	16c	
	d	(1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	e	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶	17a	Form 1116, Part I  Form 1116, Part II  Form 1116, Part III and Instructions for Form 1116.
	b	Total gross income sourced at partner level . . . . .	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
		(1) U.S. source and listed categories . . . . .	17c(1)	
		(2) Passive . . . . .	17c(2)	
		(3) General limitation . . . . .	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
		(1) Interest expense . . . . .	17d(1)	
		(2) Other . . . . .	17d(2)	
	e	Deductions allocated and apportioned at partnership level (attach schedule):		
		(1) U.S. source and listed categories . . . . .	17e(1)	
	(2) Passive . . . . .	17e(2)		
	(3) General limitation . . . . .	17e(3)		
f	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	18	Section 59(e)(2) expenditures: a Type ▶	18a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Amount . . . . .	18b	
	19	Tax-exempt interest income . . . . .	19	Form 1040, line 8b
	20	Other tax-exempt income . . . . .	20	See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	21	Nondeductible expenses . . . . .	21	
	22	Distributions of money (cash and marketable securities) . . . . .	22 281,250	
	23	Distributions of property other than money . . . . .	23	Form 8611, line 8
24	Recapture of low-income housing credit:			
a	From section 42(j)(5) partnerships . . . . .	24a		
b	Other than on line 24a . . . . . FORM 8611	24b 13,267		
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
		LINE 8 - CHARITABLE CONTRINUTIONS		
		MARQUETTE UNIVERSITY	787	
		GOLDA MEIR FOUNDATION(SEE FORM 8283)	1,597	
		MILLER FIELD VICTIMS RELIEF FUND	2,138	
		TOTAL	4,522	



**TEST #19**

**FORMS REQUIRED:** 1065, A (8847), D (1065), J (5471),  
M (5471), N (5471), O (5471), 982, 3520, 3520A,  
4562, 5471, 6478, 8082, 8594, 8621, 8830, 8835,  
8845, 8846, 8847, 8866, 2 K-1s (1065)

**FORM 1065, PAGE 1: IDENTIFYING INFORMATION**

**NAME OF PARTNERSHIP:**

WALL STREET INVESTMENT PARTNERSHIP  
19 ANY STREET  
ANYTOWN, IL 60893

**NAME OF PREPARER:**

ELECTRONIC TAX FILERS, INC.  
100 TECHO DRIVE  
RAINTOWN, WA 98530  
EIN: 52-0000099  
PREPARER SSN: 001-99-0001

**FORM 1065, PAGE 1:**

**LINE A:** INVESTMENTS  
**LINE B:** FIN ADVISORS  
**LINE C:** 523900  
**LINE D:** 52-0000019  
**LINE E:** 04/11/90  
**LINE G(2):** X  
**LINE H(2):** X  
**LINE 1a:** 135418  
**LINE 1b:** 5945  
**LINE 9:** 117319 (To Line 9 - 114,919; to Form 8845 - 2,400)  
**LINE 14:** 15104 (To Line 14 - 14,554; to Form 8846 - 42)  
**LINE 15:** 12 (From Form 3520-A, Page 3, Line 8)  
**LINE 16a:** 391 (From Form 3520-A, Page 3, Line 10)

**LINE 20 (STM 01):**

FROM FORM 3520-A, PAGE 3, LINE 13:

ADMINISTRATIVE	213
ACCOUNTING AND LEGAL	520
COSTS ALLOCATED TO RENTAL PROPERTY	13152

**FORM 1065, PAGE 2, SCHEDULE A:**

**LINE 9(d):** NO  
**LINE 9(e):** NO

**FORM 1065, PAGE 2, SCHEDULE B:**

**LINE 1a:** X

**TEST #19 (Continued):**

**FORM 1065, PAGE 2, SCHEDULE B (Continued):**

LINE 2:	NO
LINE 3:	NO
LINE 4:	NO
LINE 5:	NO
LINE 6:	YES
LINE 7:	NO
LINE 8:	NO
LINE 9:	NO
LINE 10:	YES
LINE 11:	NO
LINE 12:	0

**FORM 1065, PAGE 2 (DESIGNATION OF TAX MATTERS PARTNER):**

NAME OF DESIGNATED TMP: LAKE MICHIGAN UNIV ENDOWMENT FUND  
IDENTIFYING NUMBER OF DESIGNATED TMP: 52-1190001  
ADDRESS OF DESIGNATED TMP: 8625 ANY ROAD  
ANYTOWN, IL 60893

**FORM 1065, PAGE 3, SCHEDULE K:**

LINE 3a:	15525 (From Form 3520-A, Page 3, Line 3)
LINE 4a:	1528 (From Form 3520-A, Page 3, Line 1)
LINE 4b:	1820 (From Form 3520-A, Page 3, Line 2)
LINE 8 (STM 02):	
FROM FORM 3520-A, PAGE 3, LINE 12:	575
LINE 13 - OTHER CREDITS:	
FROM FORM 8845 - LINE 6	2400
FROM FORM 8846 - LINE 6	42

**FORM 1065, PAGE 4, SCHEDULE L:**

LINE 1(b):	1250
LINE 4(b):	525750
LINE 5(b):	350000
LINE 7(b):	411050
LINE 15(b):	201854
LINE 16(b):	501250
LINE 19(b):	553352

**FORM 1065, PAGE 4, SCHEDULE M-1:**

LINE 1:	3465
LINE 4:	
F. 8845/8846 CREDITS	2442

**TEST #19 (Continued):**

**FORM 1065, PAGE 4, SCHEDULE M-2:**

LINE 1: 31594  
LINE 3: 3465  
LINE 6a: 35059

**SCHEDULE D (FORM 1065), PAGE 4:**

LINE 6(a): FROM FORM 3520-A  
LINE 6(b): 05/11/95  
LINE 6(c): 08/16/00  
LINE 6(d): 1897  
LINE 6(e): 0

**SCHEDULE J (FORM 5471):**

Name of foreign corporation: FUTBOL CLUB DE CONCEPCION  
LINE 1(a): -2879756  
LINE 1(b): 875000  
LINE 1(c)(ii): 123416  
LINE 2b(a): -1735819

**SCHEDULE M (FORM 5471):**

Name of foreign corporation: FUTBOL CLUB DE CONCEPCION  
LINE 7(c): 16  
LINE 8(c): 12

**SCHEDULE N (FORM 5471):**

Name of foreign corporation: FUTBOL CLUB DE CONCEPCION  
Relevant exchange rate: Chile 524.05/1

**SCHEDULE N (FORM 5471), PART I, Section A:**

Description of securities (STM 06): 50 SH FUTBOL CLUB DE CONCEPCION  
Face value - Beginning of year: 50  
Face value - End of year: -0-

**SCHEDULE O (FORM 5471):**

Name of foreign corporation: FUTBOL CLUB DE CONCEPCION

**SCHEDULE O (FORM 5471), PART I:**

COLUMN (a): WALL STREET INVESTMENT PARTNERSHIP  
COLUMN (b): 19 ANY STREET  
ANYTOWN, IL 60893  
COLUMN (c): 52-0000019  
COLUMN (d): NOV. 30, 1987

**TEST #19 (Continued):**

**SCHEDULE O (FORM 5471), PART II, Section D:**

**COLUMN (a):** WALL ST. INV. PARTNERSHIP  
**COLUMN (b):** COMMON  
**COLUMN (c):** 08/15/00  
**COLUMN (d):** SALE  
**COLUMN (e)(1):** 50  
**COLUMN (f):** 0  
**COLUMN (g):** PABLO NERUDA  
1626 AVENIDA VINA DEL MAR, VALPARAISO, CHILE

**FORM 982, PART I:**

**LINE 1(a):** X  
**LINE 2:** 50000

**FORM 982, PART II:**

**LINE 4:** 50000

**FORM 982, PART III:**

\$50,000  
JANUARY 1, 2000.....DECEMBER 31, 2000  
ILLINOIS

**FORM 3520:**

X.....FINAL RETURN  
X.....PARTNERSHIP

**Check all applicable boxes:**

NOTE: In this section, four boxes are presented for selection. For this taxpayer, the second and third boxes should be selected by "X".

**LINE 1a:** WALL STREET INVESTMENT PARTNERSHIP  
**LINE 1b:** 52-0000019  
**LINE 1c:** 19 ANY STREET  
**LINE 1e:** ANYTOWN  
**LINE 1f:** IL  
**LINE 1g:** 60893  
**LINE 1h:** U.S.A.  
**LINE 3:** NO

**FORM 3520, PART I, SCHEDULE A:**

**LINE 11a:** YES  
**LINE 11b:** NO

**TEST #19 (Continued):**

**FORM 3520, SCHEDULE C, PART II:**

**LINE 20(a):** JACQUES PLANTE  
MARGARET ATWOOD  
GORDON SINCLAIR

**LINE 20(b):** 1516 YONGE ST., TORONTO, ONTARIO  
1511 PRAIRIE, ST. BONIFACE, MANITOBA  
125 TALBOT ST. E., ST. THOMAS, ONTARIO

**LINE 20(c):** CANADA  
CANADA  
CANADA

**LINE 21(a):** CA  
**LINE 21(b):** CA  
**LINE 21(c):** 8/30/1972  
**LINE 22:** YES

**FORM 3520, SCHEDULE C, PART II:**

**LINE 25:** NO

**FORM 3520-A, PART I:**

**LINE 1a:** SYDNEY COMMUNITY TRUST  
**LINE 1b:** 52-1919191  
**LINE 1c:** 1215 GASPE CAUSEWAY  
**LINE 1d:** SYDNEY  
**LINE 1e:** NOVA SCOTIA  
**LINE 1f:** TRZ 620  
**LINE 1g:** CANADA  
**LINE 2:** NO  
**LINE 2a:** ATTACHED PREVIOUSLY.....1997  
**LINE 2b:** ATTACHED PREVIOUSLY.....1997  
**LINE 2c:** ATTACHED PREVIOUSLY.....1997  
**LINE 2d:** ATTACHED PREVIOUSLY.....1997  
**LINE 2e:** ATTACHED PREVIOUSLY  
**LINE 5:** NO

**FORM 3520-A, PART II:**

**LINE 1:** 15275  
**LINE 2:** 18200  
**LINE 3:** 155250  
**LINE 5b:** 18975  
**LINE 9:** 117  
**LINE 11:** 3912  
**LINE 13:** 5750

**TEST #19 (Continued):**

**FORM 3520-A, PART II (Continued):**

**LINE 14 (STM 05):**

VARIOUS 138854  
**LINE 17(a):** 25000  
**LINE 17b(a):** WALL STREET INVESTMENT PARTNERSHIP  
**LINE 17b(b):** 52-0000019  
**LINE 17b(c):** 08/29/00  
**LINE 17b(d):** 25000

**FORM 3520-A, PART III:**

**LINE 1(b):** 33604  
**LINE 1(d):** 19697  
**LINE 5(b):** 175800  
**LINE 5(d):** 225503  
**LINE 7(b):** 419700  
**LINE 7(d):** 419700  
**LINE 8(a)(a):** 105325  
**LINE 8(a)(c):** 130503  
**LINE 8(b)(a):** 26040  
**LINE 8(b)(c):** 29952  
**LINE 13(b):** 11030  
**LINE 13(d):** 9025  
**LINE 17(b):** 25000  
**LINE 17(d):** 25000  
**LINE 18(b):** 672359  
**LINE 18(d):** 706426  
**LINE 19(d) (STM 06):**  
PRIOR CONTRIBUTION TO TRUST CORPUS 25000

**FORM 3520-A, PAGE 3:**

**1998 FOREIGN GRANTOR TRUST OWNER STATEMENT**

**LINE 1(a):** SYDNEY COMMUNITY TRUST  
**LINE 1(b):** 52-1919191  
**LINE 1(c):** 1215 GASPE CAUSEWAY  
**LINE 1(d):** SYDNEY  
**LINE 1(e):** NOVA SCOTIA  
**LINE 1(f):** TRZ 620  
**LINE 1(g):** CANADA  
**LINE 2:** NO  
**LINE 6(a):** WALL STREET INVESTMENT PARTNERSHIP  
**LINE 6(b):** 52-0000019  
**LINE 6(c):** 19 ANY STREET  
**LINE 6(d):** ANYTOWN

**TEST #19 (Continued):**

**FORM 3520-A, PAGE 3 (Continued):**

**1998 FOREIGN GRANTOR TRUST OWNER STATEMENT(Continued):**

LINE 6(e): ILLINOIS  
LINE 6(f): 60893  
LINE 6(g): USA

**1999 STATEMENT OF FOREIGN TRUST INCOME**

**ATTRIBUTABLE TO U.S. OWNER**

LINE 1: 1528  
LINE 2: 1820  
LINE 3: 15525  
LINE 5: 1897  
LINE 8: 12  
LINE 10: 391  
LINE 12: 575  
LINE 13 (STM 07):  
VARIOUS 13885

**FORM 4562, PART V, SECTION C:**

LINE 35 NO  
LINE 36 NO  
LINE 37 NO  
LINE 38 NO  
LINE 39 NO

**FORM 5471:**

LINE B(2): X  
LINE B(C): 15  
LINE D(1): Same  
LINE 1a: FUTBOL CLUB DE CONCEPCION  
317 AVENIDA BERNARDO O'HIGGINS  
CONCEPCION, CHILE  
LINE 1c: CHILE  
LINE 1d: 2/4/63  
LINE 1e: CONCEPCION, CHILE  
LINE 1f: 713900  
LINE 1g: PROFESSIONAL SPORTS

**FORM 5471, SCHEDULE A, PART I:**

LINE (a): COMMON  
LINE (b)(i): 5000  
LINE (b)(ii): 5000

**TEST #19 (Continued):**

**FORM 5471, SCHEDULE B:**

LINE (a): WALL STREET INVESTMENT PARTNERSHIP  
19 ANY STREET  
ANYTOWN, ILLINOIS 60893  
52-0000019  
  
LINE (b): COMMON  
LINE (c): 650  
LINE (d): 650  
LINE (e): 15%

**FORM 5471, SCHEDULE C:**

	<u>FUNCTIONAL CURRENCY</u>	<u>U.S. DOLLARS</u>
LINE 1(a):	84675190	161578
LINE 1(b):	434611	829
LINE 4:	38752	74
LINE 5:	60776	116
LINE 10:	53710660	102491
LINE 11:	389411	743
LINE 12:	60776	116
LINE 13:	511814	977
LINE 15:	65811	126
LINE 16:	31337454	59799
LINE 18:	-1735819	-3313

**FORM 5471, SCHEDULE F:**

LINE 1(a):	5401
LINE 1(b):	2586
LINE 2(a)(a):	11505
LINE 2(a)(b):	14285
LINE 2(b)(a):	(345)
LINE 2(b)(b):	(1105)
LINE 4(a):	3045
LINE 4(b):	2819
LINE 5(a):	5985
LINE 5(b):	7077
LINE 9(a)(a):	25504
LINE 9(a)(b):	25004
LINE 9(b)(a):	(21504)
LINE 9(b)(b):	(22481)
LINE 14(a):	11806
LINE 14(b):	9333
LINE 15(a):	21065

**TEST #19 (Continued):**

**FORM 5471, SCHEDULE F (Continued):**

LINE 15(b): 25255  
LINE 18(b)(a): 500  
LINE 18(b)(b): 500  
LINE 20(a): (3590)  
LINE 20(b): (6903)

DOES THE FOREIGN CORPORATION HAVE AN INTEREST IN A PARTNERSHIP  
OR TRUST? NO

**FORM 5471, SCHEDULE H:**

	NET ADDITIONS	NET SUBTRACTIONS	
LINE 2(b):		114991	
LINE 2(f):		312537	
ENTER EXCHANGE RATE USED FOR LINE 5D:			524:1

**FORM 5471, SCHEDULE I:**

LINE 5: (3313)  
WAS ANY INCOME OF THE FOREIGN CORPORATION BLOCKED?.....No  
DID ANY SUCH INCOME BECOME UNBLOCKED DURING THE TAX YEAR?...No

**FORM 8082 - PART I:**

LINE 1(a): X  
LINE 3(a): X  
LINE 4: 52-1900000  
LINE 5: ARBITRAGE INVESTMENT L.P.  
100 WALL STREET  
NEW YORK, NY  
LINE 7: PHILADELPHIA, PA  
LINE 8: 01/01/00 to 12/31/00  
LINE 9: 01/01/00 to 12/31/00

**FORM 8082 - PART II:**

LINE 10: DID NOT RECEIVE K-1

**FORM 8082 - PART III:**

WE DID NOT RECEIVE A K-1 FROM OUR INVESTMENT IN ARBITRAGE  
INVESTMENTS, L.P. DESPITE SEVERAL WRITTEN REQUESTS FROM US.  
WE WERE NOT ABLE TO ESTIMATE THE 2000 INCOME OR LOSS FROM  
THIS INVESTMENT.

**FORM 8594:**

Buyer: X

**TEST #19 (Continued):**

**FORM 8594 - PART I:**

**LINE 1:**

Name of the other part to the transaction: INVESTMENT.COM, INC.

Other party's identification number: 52-1919192

Address: 200 52ND STREET, SUITE 4000

City or town, state, and ZIP code: NEW YORK, NY 10019

**LINE 2:** 06/15/00

**LINE 3:** 25,000,000

**FORM 8594 - PART II:**

**LINE 4 (Class I):**

Aggregate Fair Market Value: 150,000

Allocation of Sales Price: 150,000

**LINE 4 (Class II):**

Aggregate Fair Market Value: 4,850,000

Allocation of Sales Price: 4,850,000

**LINE 4 (Class III):**

Aggregate Fair Market Value: 2,500,000

Allocation of Sales Price: 2,500,000

**LINE 4 (Class IV and V):**

Aggregate Fair Market Value: 17,500,000

Allocation of Sales Price: 17,500,000

**LINE 5:** YES

YES

**LINE 6:** YES

COVENANT NOT TO COMPETE - \$2,500,000

EMPLOYMENT CONTRACTS - \$1,000,000

**FORM 8621:**

NAME OF PASSIVE FOREIGN INVESTMENT COMPANY (PFIC) OR QUALIFIED  
ELECTING FUND (QEF):

DIE DEUTSCHLANDER WIRTSCHAFT FUND

163 MUENCHENERSTRASSE

NEUE ULM, BAVARIA, GERMANY

TAX YEAR 7/1/99 ... 6/30/00

**FORM 8621, PART I:**

**LINE A:** X

**FORM 8621, PART II:**

**LINE 1a:** 5750

**LINE 1b:** 612

**LINE 2a:** 2632

**LINE 2b:** 2130

**TEST #19 (Continued):**

**FORM 8845:**

LINE 1: 17500  
LINE 2: 5500

**FORM 8846:**

LINE 1: 550

**FORM 8866:**

LINE B: Partnership: X  
COLUMN (a): mo. 12 yr. 96  
COLUMN (b): mo. 12 yr. 97  
COLUMN (c): mo. 12 yr. 98  
LINE 1(a): 2500  
LINE 1(b): 3160  
LINE 1(c): 4150  
LINE 2(a): 415  
LINE 2(b): 190  
LINE 2(c): 310  
LINE 4(a): 437  
LINE 4(b): 503  
LINE 4(c): 669  
LINE 5(a): 400  
LINE 5(b): 430  
LINE 5(c): 520  
LINE 7(a): 3  
LINE 7(b): 6  
LINE 7(c): 10

**SCHEDULE K-1 (FORM 1065) #1:**

PARTNER'S IDENTIFYING NUMBER: 52-1190001  
PARTNER'S NAME: LAKE MICHIGAN UNIV ENDOWMENT FUND  
PARTNER'S ADDRESS: 8625 ANY ROAD  
ANYTOWN, IL 60893

LINE A: GENERAL PARTNER  
LINE B: EXEMPT ORG  
LINE C: DOMESTIC  
LINE D(i): PROFIT SHARING 75.00000%  
LOSS SHARING 75.00000%  
OWNERSHIP OF CAPITAL 75.00000%  
LINE D(ii): PROFIT SHARING 75.00000%  
LOSS SHARING 75.00000%  
OWNERSHIP OF CAPITAL 75.00000%  
LINE E: KANSAS CITY, MO.

**TEST #19 (Continued):**

**SCHEDULE K-1 (FORM 1065) #1 (Continued):**

LINE I(1): X  
LINE J(a): 25025  
LINE J(c): 2599  
LINE J(d): -27624

**SCHEDULE K-1 (FORM 1065) #2:**

PARTNER'S IDENTIFYING NUMBER: 52-1190002  
PARTNER'S NAME: HALIFAX DOMINION BANK  
PARTNER'S ADDRESS: 1215 QUEEN STREET  
HALIFAX, NOVA SCOTIA

LINE A: GENERAL PARTNER  
LINE B: CORPORATION  
LINE C: FOREIGN PARTNER  
LINE D(i): PROFIT SHARING 25.00000%  
LOSS SHARING 25.00000%  
OWNERSHIP OF CAPITAL 25.00000%  
LINE D(ii): PROFIT SHARING 25.00000%  
LOSS SHARING 25.00000%  
OWNERSHIP OF CAPITAL 25.00000%  
LINE E: KANSAS CITY, MO.  
LINE I(1): X  
LINE J(a): 6569  
LINE J(c): 866  
LINE J(d): -7435

# U.S. Return of Partnership Income

OMB No. 1545-0099

For calendar year 2000, or tax year beginning \_\_\_\_\_, 2000, and ending \_\_\_\_\_, 20\_\_\_\_  
▶ See separate instructions.

**2000**

<b>A</b> Principal business activity <b>INVESTMENT</b>	<b>Use the IRS label. Otherwise, please print or type.</b>	Name of partnership <b>WALL STREET INVESTMENT PARTNERSHIP</b>	<b>D</b> Employer identification number <b>52:0000019</b>
<b>B</b> Principal product or service <b>FINANCIAL ADVISORS</b>		Number, street, and room or suite no. If a P.O. box, see page 12 of the instructions. <b>19 ANY STREET</b>	<b>E</b> Date business started <b>04/11/90</b>
<b>C</b> Business code number <b>523900</b>		City or town, state, and ZIP code <b>ANYTOWN. IL 60893</b>	<b>F</b> Total assets (see page 12 of the instructions) \$ <b>0</b>

**G** Check applicable boxes: (1)  Initial return (2)  Final return (3)  Change in address (4)  Amended return  
**H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_  
**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ \_\_\_\_\_ **2**

**Caution:** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

<b>Income</b>	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b>	<b>135,418</b>			
	<b>b</b> Less returns and allowances. . . . .	<b>1b</b>	<b>5,945</b>		<b>1c</b>	<b>129,473</b>
	<b>2</b> Cost of goods sold (Schedule A, line 8) . . . . .	<b>2</b>				
	<b>3</b> Gross profit. Subtract line 2 from line 1c. . . . .	<b>3</b>				<b>129,473</b>
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule). . . . .	<b>4</b>				
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .	<b>5</b>				
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 18. . . . .	<b>6</b>				
	<b>7</b> Other income (loss) (attach schedule). . . . .	<b>7</b>				
<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .	<b>8</b>					<b>129,473</b>
<b>Deductions</b> (see page 14 of the instructions for limitations)	<b>9</b> Salaries and wages (other than to partners) (less employment credits). . . . .	<b>9</b>				<b>114,919</b>
	<b>10</b> Guaranteed payments to partners . . . . .	<b>10</b>				
	<b>11</b> Repairs and maintenance . . . . .	<b>11</b>				
	<b>12</b> Bad debts . . . . .	<b>12</b>				
	<b>13</b> Rent . . . . .	<b>13</b>				
	<b>14</b> Taxes and licenses . . . . .	<b>14</b>				<b>14,554</b>
	<b>15</b> Interest . . . . .	<b>15</b>				<b>12</b>
	<b>16a</b> Depreciation (if required, attach Form 4562) . . . . .	<b>16a</b>	<b>391</b>			
	<b>b</b> Less depreciation reported on Schedule A and elsewhere on return	<b>16b</b>				<b>391</b>
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .	<b>17</b>				
	<b>18</b> Retirement plans, etc. . . . .	<b>18</b>				
	<b>19</b> Employee benefit programs . . . . .	<b>19</b>				
	<b>20</b> Other deductions (attach schedule) . . . . .	<b>20</b>				<b>13,885</b>
<b>21 Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20 . . . . .	<b>21</b>					<b>143,761</b>
<b>22 Ordinary income (loss)</b> from trade or business activities. Subtract line 21 from line 8 . . . . .	<b>22</b>					<b>(14,288)</b>

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

**Please Sign Here**

Signature of general partner or limited liability company member \_\_\_\_\_ Date \_\_\_\_\_

**Paid Preparer's Use Only**

Preparer's signature \_\_\_\_\_ Date \_\_\_\_\_ Check if self-employed  Preparer's SSN or PTIN **001-99-0001**

Firm's name (or yours if self-employed), address, and ZIP code **ELECTRONIC TAX FILERS, INC** EIN **52:0000099**

**100 TECO DRIVE RAIN TOWN, WA 98530** Phone no. ( ) \_\_\_\_\_

**Schedule A Cost of Goods Sold** (see page 17 of the instructions)

1	Inventory at beginning of year . . . . .	1		
2	Purchases less cost of items withdrawn for personal use . . . . .	2		
3	Cost of labor . . . . .	3		
4	Additional section 263A costs (attach schedule) . . . . .	4		
5	Other costs (attach schedule) . . . . .	5		
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6		
7	Inventory at end of year . . . . .	7		
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8		

- 9a Check all methods used for valuing closing inventory:
- (i)  Cost as described in Regulations section 1.471-3
  - (ii)  Lower of cost or market as described in Regulations section 1.471-4
  - (iii)  Other (specify method used and attach explanation) ▶ .....
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c). . . . ▶
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . ▶
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? . .  Yes  No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information**

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input checked="" type="checkbox"/> Domestic general partnership		
b <input type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶ .....		
2 Are any partners in this partnership also partnerships? . . . . .		X
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment . . . . .		X
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see <b>Designation of Tax Matters Partner</b> below . . . . .		X
5 Does this partnership meet <b>all three</b> of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000; <b>and</b>		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 . . . . .		X
6 Does this partnership have any foreign partners? . . . . .	X	
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? . . . . .		X
8 Has this partnership filed, or is it required to file, <b>Form 8264</b> , Application for Registration of a Tax Shelter? . . . . .		X
9 At any time during calendar year 2000, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 18 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶ .....		X
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 18 of the instructions . . . . .	X	
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under <b>Elections Made By the Partnership</b> on page 7 of the instructions . . . . .		X
12 Enter the number of Forms 8865 attached to this return ▶ .....		0

**Designation of Tax Matters Partner** (see page 18 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶ LAKE MICHIGAN UNIV ENDOWMENT FUND Identifying number of TMP ▶ 52-1190001

Address of designated TMP ▶ 8625 ANY ROAD

ANYTOWN, IL 60893

**Schedule K Partners' Shares of Income, Credits, Deductions, etc.**

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 22)	1	(14,288)
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	15,525
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	15,525
	4	Portfolio income (loss):		
	a	Interest income	4a	1,528
	b	Ordinary dividends	4b	1,820
	c	Royalty income	4c	
	d	Net short-term capital gain (loss) (attach Schedule D (Form 1065))	4d	
	e	Net long-term capital gain (loss) (attach Schedule D (Form 1065)):		
	(1)	28% rate gain (loss)	4e(1)	
	(2)	Total for year	4e(2)	1,897
f	Other portfolio income (loss) (attach schedule)	4f		
5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	575
	9	Section 179 expense deduction (attach Form 4562)	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12a(1)	
	(2)	Other than on line 12a(1) for property placed in service before 1990	12a(2)	
	(3)	From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12a(3)	
	(4)	Other than on line 12a(3) for property placed in service after 1989	12a(4)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
	d	Credits related to other rental activities	12d	
13	Other credits	13	7,605	
Investment Interest	14a	Interest expense on investment debts	14a	
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	5,245
	(2)	Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	(14,288)
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	129,473
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d (1)	Gross income from oil, gas, and geothermal properties	16d(1)	
	(2)	Deductions allocable to oil, gas, and geothermal properties	16d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession		
	b	Total gross income sourced at partner level	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
	(1)	U.S. source and listed categories	17c(1)	
	(2)	Passive	17c(2)	
	(3)	General limitation	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
	(1)	Interest expense	17d(1)	
(2)	Other	17d(2)		
e	Deductions allocated and apportioned at partnership level (attach schedule):			
(1)	U.S. source and listed categories	17e(1)		
(2)	Passive	17e(2)		
(3)	General limitation	17e(3)		
f	Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17f		
g	Reduction in taxes available for credit (attach schedule)	17g		
Other	18	Section 59(e)(2) expenditures: a Type b Amount	18b	
	19	Tax-exempt interest income	19	
	20	Other tax-exempt income	20	
	21	Nondeductible expenses	21	2,442
	22	Distributions of money (cash and marketable securities)	22	35,059
	23	Distributions of property other than money	23	
	24	Other items and amounts required to be reported separately to partners (attach schedule)		

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17f, and 18b . . . . .						1	5,907
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners	1,476				4,431		
b Limited partners							

**Schedule L Balance Sheets per Books** (Not required if Question 5 on Schedule B is answered "Yes.")

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash . . . . .		1,250		
2a Trade notes and accounts receivable . . . . .				
b Less allowance for bad debts . . . . .				
3 Inventories . . . . .				
4 U.S. government obligations . . . . .		525,750		
5 Tax-exempt securities . . . . .		350,000		
6 Other current assets (attach schedule) . . . . .				
7 Mortgage and real estate loans . . . . .		411,050		
8 Other investments (attach schedule) . . . . .				
9a Buildings and other depreciable assets . . . . .				
b Less accumulated depreciation . . . . .				
10a Depletable assets . . . . .				
b Less accumulated depletion . . . . .				
11 Land (net of any amortization) . . . . .				
12a Intangible assets (amortizable only). . . . .				
b Less accumulated amortization . . . . .				
13 Other assets (attach schedule) . . . . .				
14 <b>Total assets</b> . . . . .		1,288,050		
<b>Liabilities and Capital</b>				
15 Accounts payable . . . . .		201,854		
16 Mortgages, notes, bonds payable in less than 1 year . . . . .		501,250		
17 Other current liabilities (attach schedule) . . . . .				
18 All nonrecourse loans . . . . .				
19 Mortgages, notes, bonds payable in 1 year or more . . . . .		553,352		
20 Other liabilities (attach schedule) . . . . .				
21 Partners' capital accounts . . . . .		31,594		
22 <b>Total liabilities and capital</b> . . . . .		1,288,050		

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return** (Not required if Question 5 on Schedule B is answered "Yes." See page 29 of the instructions.)

1 Net income (loss) per books . . . . .	3,465	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): . . . . .		a Tax-exempt interest \$ . . . . .	
3 Guaranteed payments (other than health insurance) . . . . .		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17f, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17f, and 18b (itemize):		a Depreciation \$ . . . . .	
a Depreciation \$ . . . . .		8 Add lines 6 and 7 . . . . .	
b Travel and entertainment \$ . . . . .	2,442	9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 . . . . .	5,907
5 Add lines 1 through 4 . . . . .	5,907		

**Schedule M-2 Analysis of Partners' Capital Accounts** (Not required if Question 5 on Schedule B is answered "Yes.")

1 Balance at beginning of year . . . . .	31,594	6 Distributions: a Cash . . . . .	35,059	35,059
2 Capital contributed during year . . . . .		b Property . . . . .		
3 Net income (loss) per books . . . . .	3,465	7 Other decreases (itemize): . . . . .		
4 Other increases (itemize): . . . . .		8 Add lines 6 and 7 . . . . .		35,059
5 Add lines 1 through 4 . . . . .	35,059	9 Balance at end of year. Subtract line 8 from line 5		



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

<b>Partner's identifying number ▶</b> 52-1190001 Partner's name, address, and ZIP code # 1 LAKE MICHIGAN UNIV ENDOWMENT FUND 8625 ANY ROAD ANYTOWN, IL 60893	<b>Partnership's identifying number ▶</b> 52:0000019 Partnership's name, address, and ZIP code WALL STREET INVESTMENT PARTNERSHIP 19 ANY STREET ANYTOWN, IL 60893
--	---

- A** This partner is a  general partner  limited partner  
 limited liability company member
- B** What type of entity is this partner? ▶ **Exempt Organization**
- C** Is this partner a  domestic or a  foreign partner?
- D** Enter partner's percentage of: (i) Before change or termination (ii) End of year
- |                                |           |           |  |
|--------------------------------|-----------|-----------|--|
| Profit sharing . . . . .       | 75.0000 % | 75.0000 % |  |
| Loss sharing . . . . .         | 75.0000 % | 75.0000 % |  |
| Ownership of capital . . . . . | 75.0000 % | 75.0000 % |  |
- E** IRS Center where partnership filed return: **KANSAS CITY**
- F** Partner's share of liabilities (see instructions):
- |   |          |
|---|----------|
| Nonrecourse . . . . .                     | \$ ..... |
| Qualified nonrecourse financing . . . . . | \$ ..... |
| Other . . . . .                           | \$ ..... |
- G** Tax shelter registration number . . . . . ▶
- H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .
- I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
25,025		2,599	( 27,624 )	

	(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	1 Ordinary income (loss) from trade or business activities . . . . .	1	(10,716)	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2		
	3 Net income (loss) from other rental activities . . . . .	3	11,644	
	4 Portfolio income (loss):	4		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	a Interest . . . . .	4a	1,146	
	b Ordinary dividends . . . . .	4b	1,365	
	c Royalties . . . . .	4c		
	d Net short-term capital gain (loss) . . . . .	4d		
	e Net long-term capital gain (loss):	e		
	(1) 28% rate gain (loss) . . . . .	e(1)		} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065). Enter on applicable line of your return.
(2) Total for year . . . . .	e(2)	1,423		
f Other portfolio income (loss) (attach schedule) . . . . .	4f			
5 Guaranteed payments to partner . . . . .	5		} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065). Enter on applicable line of your return.	
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6			
7 Other income (loss) (attach schedule) . . . . .	7			
8 Charitable contributions (see instructions) (attach schedule) . . . . .	8	431		
<b>Deductions</b>	9 Section 179 expense deduction . . . . .	9		} See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	10 Deductions related to portfolio income (attach schedule) . . . . .	10		
	11 Other deductions (attach schedule) . . . . .	11		
	12a Low-income housing credit:	12a		
(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)			
(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)			
(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)			
(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)		} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).	
b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b			
c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c			
d Credits related to other rental activities . . . . .	12d			
<b>Credits</b>	13 Other credits . . . . .	13	5,704	

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1) 3,934	
		(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a (10,716)	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Gross farming or fishing income . . . . .	15b	
	c	Gross nonfarm income . . . . .	15c 97,105	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b	Adjusted gain or loss . . . . .	16b	
	c	Depletion (other than oil and gas) . . . . .	16c	
	d	(1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	e	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶ . . . . .	17a	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.
	b	Total gross income sourced at partner level . . . . .	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
		(1) U.S. source and listed categories . . . . .	17c(1)	
		(2) Passive . . . . .	17c(2)	
		(3) General limitation . . . . .	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
		(1) Interest expense . . . . .	17d(1)	
		(2) Other . . . . .	17d(2)	
	e	Deductions allocated and apportioned at partnership level (attach schedule):		
		(1) U.S. source and listed categories . . . . .	17e(1)	
	(2) Passive . . . . .	17e(2)		
	(3) General limitation . . . . .	17e(3)		
f	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	18	Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Amount . . . . .	18b	
	19	Tax-exempt interest income . . . . .	19	Form 1040, line 8b
	20	Other tax-exempt income . . . . .	20	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	21	Non deductible expenses . . . . .	21 1,832	
	22	Distributions of money (cash and marketable securities) . . . . .	22 27,624	
	23	Distributions of property other than money . . . . .	23	} Form 8611, line 8
	24	Recapture of low-income housing credit:		
a	From section 42(j)(5) partnerships . . . . .	24a		
b	Other than on line 24a . . . . .	24b		
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
		LINE 8 - CHARITABLE CONTRIBUTIONS		
		FORM 3520-A	431	
		TOTAL	431	
		LINE 13 - OTHER CREDITS		
		FORM 6478- LINE 11	169	
		FORM 8830- LINE 4	1,406	
		FORM 8835- LINE 14	1,922	
		FORM 8845- LINE 6	1,800	
		FORM 8846- LINE 6	32	
		FORM 8847- LINE 4	375	
	TOTAL	5,704		



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 52-1190002      **Partnership's identifying number** ▶ 52:0000019

Partner's name, address, and ZIP code #2  
HALIFAX DOMINION BANK  
1215 QUEEN STREET  
HALIFAX, NOVA SCOTIA

Partnership's name, address, and ZIP code  
WALL STREET INVESTMENT PARTNERSHIP  
19 ANY STREET  
ANYTOWN, IL 60893

- A** This partner is a  general partner  limited partner  
 limited liability company member
- B** What type of entity is this partner? ▶ CORPORATION
- C** Is this partner a  domestic or a  foreign partner?
- D** Enter partner's percentage of:
 

	(i) Before change or termination	(ii) End of year
Profit sharing . . . . .	25.0000 %	25.0000 %
Loss sharing . . . . .	25.0000 %	25.0000 %
Ownership of capital . . . . .	25.0000 %	25.0000 %
- E** IRS Center where partnership filed return: KANSAS CITY

- F** Partner's share of liabilities (see instructions):
 

Nonrecourse . . . . .	\$	.....
Qualified nonrecourse financing . . . . .	\$	.....
Other . . . . .	\$	.....
- G** Tax shelter registration number . ▶ .....
- H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .
- I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
6,569		866	( 7,435 )	

(a) Distributive share item			(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	1 Ordinary income (loss) from trade or business activities . . . . .	1	(3,572)	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2		
	3 Net income (loss) from other rental activities . . . . .	3	3,881	
	4 Portfolio income (loss):	/		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f)
	a Interest . . . . .	4a	382	
	b Ordinary dividends . . . . .	4b	455	
	c Royalties . . . . .	4c		
	d Net short-term capital gain (loss) . . . . .	4d		
	e Net long-term capital gain (loss):	/		
	(1) 28% rate gain (loss) . . . . .	e(1)		} Sch. D, line 12, col. (g) Sch. D, line 12, col. (f)
	(2) Total for year. . . . .	e(2)	474	
	f Other portfolio income (loss) (attach schedule) . . . . .	4f		} Enter on applicable line of your return.
	5 Guaranteed payments to partner . . . . .	5		
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6		} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
7 Other income (loss) (attach schedule) . . . . .	7			
<b>Deductions</b>	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8	144	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	9 Section 179 expense deduction . . . . .	9		
	10 Deductions related to portfolio income (attach schedule) . . . . .	10		
	11 Other deductions (attach schedule) . . . . .	11		
<b>Credits</b>	12a Low-income housing credit:	/		} Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)		
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)		
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)		
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)		
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b		} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c		
	d Credits related to other rental activities . . . . .	12d		
13 Other credits . . . . .	13	1,901		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1) 1,311	
		(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a (3,572)	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Gross farming or fishing income . . . . .	15b	
	c	Gross nonfarm income . . . . .	15c 32,368	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b	Adjusted gain or loss . . . . .	16b	
	c	Depletion (other than oil and gas) . . . . .	16c	
	d	(1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	e	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶ . . . . .	17a	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.
	b	Total gross income sourced at partner level . . . . .	17b	
	c	Total gross income sourced at partnership level (attach schedule):		
		(1) U.S. source and listed categories . . . . .	17c(1)	
		(2) Passive . . . . .	17c(2)	
		(3) General limitation . . . . .	17c(3)	
	d	Deductions allocated and apportioned at partner level:		
		(1) Interest expense . . . . .	17d(1)	
		(2) Other . . . . .	17d(2)	
	e	Deductions allocated and apportioned at partnership level (attach schedule):		
		(1) U.S. source and listed categories . . . . .	17e(1)	
	(2) Passive . . . . .	17e(2)		
	(3) General limitation . . . . .	17e(3)		
f	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .			
Other	18	Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b	Amount . . . . .	18b	
	19	Tax-exempt interest income . . . . .	19	Form 1040, line 8b
	20	Other tax-exempt income . . . . .	20	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	21	Nondeductible expenses . . . . .	21 610	
	22	Distributions of money (cash and marketable securities) . . . . .	22 7,435	
	23	Distributions of property other than money . . . . .	23	} Form 8611, line 8
	24	Recapture of low-income housing credit:		
a	From section 42(j)(5) partnerships . . . . .	24a		
b	Other than on line 24a . . . . .	24b		
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
		LINE 8 - CHARITABLE CONTRIBUTIONS		
		FORM 3520-A	144	
		TOTAL	144	
		LINE 13 - OTHER CREDITS		
		FORM 6478- LINE 11	56	
		FORM 8830- LINE 4	469	
		FORM 8835- LINE 14	641	
		FORM 8845- LINE 6	600	
		FORM 8846- LINE 6	10	
	FORM 8847- LINE 4	125		
	TOTAL	1,901		



**TEST #20**

**FORMS REQUIRED: 1065, O(8865), P(8865), 4562, 8271, 8582-CR,  
8832, 8865, 1 K-1(8865), 2 K-1s (1065)**

**FORM 1065, PAGE 1: IDENTIFYING INFORMATION**

**NAME OF PARTNERSHIP:**

NEVER LOOSE LAWYERS LIMITED PARTNERSHIP  
20 ANY STREET  
ANYTOWN, MA 07548

**NAME OF PREPARER:**

ELECTRONIC TAX FILERS, INC.  
100 TECHO DRIVE  
RAINTOWN, WA 98530  
EIN: 52-0000099  
PREPARER SSN: 001-99-0001

**FORM 1065, PAGE 1:**

**LINE A:** LAW FIRM  
**LINE B:** LEGAL SERVICES  
**LINE C:** 541110  
**LINE D:** 52-0000020  
**LINE E:** 05/12/96  
**LINE H(2):** X  
**LINE 1a:** 1515384  
**LINE 1b:** 64757  
**LINE 9:** 567550  
**LINE 11:** 11500  
**LINE 13:** 100000  
**LINE 14:** 74500  
**LINE 18:** 7500  
**LINE 19:** 3000

**LINE 20 (STM 01):**

AMORTIZATION (FROM F. 4562, PART VI)	1000
COMPUTER EXPENSE	12500
DUES AND SUBSCRIPTIONS	11450
EQUIPMENT AND FURNITURE RENTAL	25000
INSURANCE - OFFICE	10000
INSURANCE - MALPRACTICE	75000

**TEST #20 (Continued):**

**FORM 1065, PAGE 1 (Continued):**

**LINE 20 (STM 01) (Continued):**

LEGAL AND ACCOUNTING	18220
OFFICE EXPENSE	50352
UTILITIES	11350

**FORM 1065, PAGE 2, SCHEDULE A:**

**LINE 9(d):** NO

**LINE 9(e):** NO

**FORM 1065, PAGE 2, SCHEDULE B:**

**LINE 1b:** X

**LINE 2:** NO

**LINE 3:** NO

**LINE 4:** NO

**LINE 5:** NO

**LINE 6:** NO

**LINE 7:** NO

**LINE 8:** NO

**LINE 9:** NO

**LINE 10:** NO

**LINE 11:** NO

**LINE 12:** 1

**FORM 1065, PAGE 2 (DESIGNATION OF TAX MATTERS PARTNER):**

NAME OF DESIGNATED TMP:	PERRY MASONRY
IDENTIFYING NUMBER OF TMP:	001-20-0001
ADDRESS OF TMP:	2544 ANY BLVD. ANYTOWN, RI 08544

**FORM 1065, PAGE 3 (SCHEDULE K):**

**LINE 8 (STM 02):**

LEGAL SERVICES CORPORATION	20000
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THE JIMMY FUND	4000
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FROM SCHEDULE K-1 (FORM 1065)	1000
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**LINE 19:** 11702

**FORM 1065, PAGE 4 (SCHEDULE L):**

**LINE 1(b):** 64771

**LINE 1(d):** 71535

**TEST #20 (Continued):**

**FORM 1065, PAGE 4, SCHEDULE L (Continued):**

<b>LINE 2a(a):</b>	402658	
<b>LINE 2a(c):</b>	385440	
<b>LINE 2b(a):</b>	3000	
<b>LINE 2b(c):</b>	3500	
<b>LINE 5(b):</b>	205650	
<b>LINE 5(d):</b>	205650	
<b>LINE 6(b) (STM 03):</b>		
PREPAID INSURANCE		305
ACCRUED INTEREST RECEIVABLE		125
<b>LINE 6(d) (STM 04):</b>		
ACCRUED INTEREST RECEIVABLE		130
<b>LINE 9a(a):</b>	45865	
<b>LINE 9a(c):</b>	50575	
<b>LINE 9b(a):</b>	26750	
<b>LINE 9b(c):</b>	33960	
<b>LINE 12a(a):</b>	25000	
<b>LINE 12a(c):</b>	25000	
<b>LINE 12b(a):</b>	11250	
<b>LINE 12b(c):</b>	12250	
<b>LINE 13(b) (STM 05):</b>		
COVENANTS NOT TO COMPETE	25000	
UTILITY DEPOSITS	1200	
<b>LINE 13(d) (STM 06):</b>		
COVENANTS NOT TO COMPETE	25000	
UTILITY DEPOSITS	1200	
<b>LINE 15(b):</b>	54850	
<b>LINE 15(d):</b>	70250	
<b>LINE 17(b) (STM 07):</b>		
ACCRUED SALARIES	16750	
PAYROLL TAXES PAYABLE	22501	
PREPAID RETAINER FEES	60000	
<b>LINE 17(d) (STM 08):</b>		
ACCRUED SALARIES	17000	
PAYROLL TAXES PAYABLE	20400	
PREPAID RETAINER FEES	50500	
<b>LINE 20(b) (STM 09):</b>		
ACCOUNTS HELD IN TRUST	200000	

**TEST #20 (Continued):**

**FORM 1065, PAGE 4, SCHEDULE L (Continued):**

**LINE 20(d) (STM 10):**

ACCOUNTS HELD IN TRUST 210000

**FORM 1065, PAGE 4, SCHEDULE M-1:**

LINE 1: 451197

LINE 6a: 11702

**FORM 1065, PAGE 4, SCHEDULE M-2:**

LINE 1: 375473

LINE 3: 451197

LINE 6a: 480000

**SCHEDULE O (FORM 8865):**

Name of foreign partnership: PRINCE EDWARD ISLAND TOURS JOINT VENTURE

**SCHEDULE O (FORM 8865), PART I:**

Cash (a)	8/13/00	
Cash (c)	5000	
Cash (g)	10.000%	
Tangible Property....(a)	8/13/00	
Tangible Property....(b)	2	
Tangible Property....(c)	15000	
Tangible Property....(d)	15000	
Tangible Property....(e)	10.000%	

**SCHEDULE O (FORM 8865), PART III:**

NO

**SCHEDULE P (FORM 8865):**

Name of foreign partnership: PRINCE EDWARD ISLAND TOURS JOINT VENTURE

**SCHEDULE P (FORM 8865), PART I:**

COLUMN (a)	NEVERWIN LAWYERS PARTNERSHIP CLEVELAND, OHIO 52-0000013
COLUMN (b)	08/13/00
COLUMN (c)	20000
COLUMN (d)	20000
COLUMN (e)	0%

**TEST #20 (Continued):**

**SCHEDULE P (FORM 8865), PART I (Continued):**

**COLUMN (f) 10.00%**

**FORM 4562:**

**ACTIVITY TO WHICH THIS FORM RELATES:**

**FORM 1065, PAGE 1, LINE 22**

**FORM 4562, PART I:**

**LINE 2: 4710**  
**LINE 6(a): COMPUTERS**  
**LINE 6(b): 4710**  
**LINE 6(c): 4710**

**FORM 4562, PART III:**

**LINE 17: 2500**

**FORM 4562, PART V, SECTION C:**

**LINE 35 NO**  
**LINE 36 NO**  
**LINE 37 NO**  
**LINE 38 NO**  
**LINE 39 NO**

**FORM 4562, PART VI:**

**LINE 41: 1000**

**FORM 8271:**

**LINE 1(a): TAX SHELTER FOR PROFESSIONALS**  
**LINE 1(b): 72586439210**  
**LINE 1(c): 54-8650856**

**FORM 8582-CR:**

**LINE 4a: 12100**  
**LINE 4b: 3600**

**FORM 8832:**

**LINE 1b: X**  
**LINE 2b: X**

**TEST #20 (Continued):**

**FORM 8832 (Continued):**

**LINE 4:** PERRY MASONRY, GENERAL PARTNER  
**LINE 5:** 1-617-555-5559

**FORM 8865, PAGE 1:**

**LINE A:** Category 1  
**LINE B:** 1/1/00.....12/31/00  
**LINE F1:** PRINCE EDWARD ISLAND TOURS JOINT VENTURE  
2692 CAPE BRETON BLVD., CHARLOTTETOWN,  
....PEI, CANADA R7J 1Q2  
**LINE F3:** CANADA  
**LINE F4:** 02/04/63  
**LINE F5:** PRINCE EDWARD ISLAND  
**LINE F6:** 487000  
**LINE F7:** TOURS  
**LINE F8:** USA 1.00/CANADA 0.67  
**LINE G5:** NO  
**LINE G8:** NO  
**LINE G9:** YES

**FORM 8865, PAGE 2, SCHEDULE B:**

**LINE 1a:** 245750  
**LINE 1b:** 15750  
**LINE 9:** 60000  
**LINE 11:** 60000  
**LINE 13:** 55000  
**LINE 14:** 45000  
**LINE 19:** 10000

**SCHEDULE K-1 (FORM 8865):**

**Partner's Identifying Number:** 52-0000020  
**Partner's name, address and ZIP Code**  
NEVERLOOSE LIMITED PARTNERSHIP  
20 ANY STREET  
ANYTOWN, MA 07548

**TEST #20 (Continued):**

**SCHEDULE K-1 (FORM 8865) (Continued):**

**Partnerships's name, address and ZIP Code**

PRINCE EDWARD ISLAND TOURS JOINT VENTURE  
2692 CAPE BRETON BLVD.  
CHARLOTTETOWN, PEI, CANADA R7J 1Q2

**ENTER PARTNER'S INTEREST IN:**

PROFITS - BEGINNING OF TAX YEAR (a)	0%
PROFITS - END OF TAX YEAR (b)	10%
CAPITAL - BEGINNING OF TAX YEAR (a)	0%
CAPITAL - END OF TAX YEAR (b)	10%
DEDUCTIONS - BEGINNING OF TAX YEAR (a)	0%
DEDUCTIONS - END OF TAX YEAR (b)	10%
LOSSES - BEGINNING OF TAX YEAR (a)	0%
LOSSES - END OF TAX YEAR (b)	10%

**ANALYSIS OF PARTNER'S CAPITAL ACCOUNT:**

<b>Box (a)</b>	0
<b>Box (b)</b>	20000
<b>Box (c)</b>	0
<b>Box (d)</b>	0

**LINE 8 (STM100):**

ANNE OF GREEN GABLES BENEVOLENCE FUND	1000
---------------------------------------	------

**SCHEDULE K-1 (FORM 1065) #1:**

PARTNER'S IDENTIFYING NUMBER: 001-20-0001  
PARTNER'S NAME: PERRY MASONRY  
PARTNER'S ADDRESS: 2544 ANY BLVD.  
ANYTOWN, RI 08544

<b>LINE A:</b>	GENERAL PARTNER	
<b>LINE B:</b>	INDIVIDUAL	
<b>LINE C:</b>	DOMESTIC	
<b>LINE D(i):</b>	PROFIT SHARING	90.00000%
	LOSS SHARING	90.00000%
	OWNERSHIP OF CAPITAL	90.00000%
<b>LINE D(ii):</b>	PROFIT SHARING	90.00000%
	LOSS SHARING	90.00000%
	OWNERSHIP OF CAPITAL	90.00000%

**TEST #20 (Continued):**

**SCHEDULE K-1 (FORM 1065) #1 (Continued):**

**LINE E:** ANDOVER  
**LINE F:** Other 368150  
**LINE J(a):** 350000  
**LINE J(c):** 406077  
**LINE J(d):** 432000

**SCHEDULE K-1 (FORM 1065) #2:**

PARTNER IDENTIFYING NUMBER: 001-20-0002  
PARTNER'S NAME: ALLISON MCREAL  
PARTNER'S ADDRESS: 2544 ANY AVENUE  
ANYTOWN, MA 06228

**LINE A:** LIMITED PARTNER  
**LINE B:** INDIVIDUAL  
**LINE C:** DOMESTIC  
**LINE D(i):** PROFIT SHARING 10.00000%  
LOSS SHARING 10.00000%  
OWNERSHIP OF CAPITAL 10.00000%  
**LINE D(ii):** PROFIT SHARING 10.00000%  
LOSS SHARING 10.00000%  
OWNERSHIP OF CAPITAL 10.00000%  
**LINE E:** ANDOVER  
**LINE J(a):** 25473  
**LINE J(c):** 45120  
**LINE J(d):** 48000

# U.S. Return of Partnership Income

OMB No. 1545-0099

For calendar year 2000, or tax year beginning \_\_\_\_\_, 2000, and ending \_\_\_\_\_, 20\_\_\_\_  
▶ See separate instructions.

**2000**

<b>A</b> Principal business activity <b>LAW FIRM</b>	<b>Use the IRS label. Otherwise, please print or type.</b>	Name of partnership <b>NEVER LOOSE LAWYERS LIMITED PARTNERSHIP</b>	<b>D</b> Employer identification number <b>52-0000020</b>
<b>B</b> Principal product or service <b>LEGAL SERVICES</b>		Number, street, and room or suite no. If a P.O. box, see page 12 of the instructions. <b>20 ANY STREET</b>	<b>E</b> Date business started <b>05/12/96</b>
<b>C</b> Business code number <b>541110</b>		City or town, state, and ZIP code <b>ANYTOWN, MA 07548</b>	<b>F</b> Total assets (see page 12 of the instructions) \$ <b>714,820</b>

**G** Check applicable boxes: (1)  Initial return (2)  Final return (3)  Change in address (4)  Amended return  
**H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_  
**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ 2

**Caution:** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

<b>Income</b>	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b>	<b>1,515,384</b>			
	<b>b</b> Less returns and allowances. . . . .	<b>1b</b>	<b>64,757</b>		<b>1c</b>	<b>1,450,627</b>
	<b>2</b> Cost of goods sold (Schedule A, line 8) . . . . .	<b>2</b>				
	<b>3</b> Gross profit. Subtract line 2 from line 1c. . . . .	<b>3</b>				<b>1,450,627</b>
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule). . . . .	<b>4</b>				
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .	<b>5</b>				
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 18. . . . .	<b>6</b>				
	<b>7</b> Other income (loss) (attach schedule). . . . .	<b>7</b>				
<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .	<b>8</b>					<b>1,450,627</b>
<b>Deductions</b> (see page 14 of the instructions for limitations)	<b>9</b> Salaries and wages (other than to partners) (less employment credits). . . . .	<b>9</b>				<b>567,550</b>
	<b>10</b> Guaranteed payments to partners . . . . .	<b>10</b>				
	<b>11</b> Repairs and maintenance . . . . .	<b>11</b>				<b>11,500</b>
	<b>12</b> Bad debts . . . . .	<b>12</b>				
	<b>13</b> Rent . . . . .	<b>13</b>				<b>100,000</b>
	<b>14</b> Taxes and licenses . . . . .	<b>14</b>				<b>74,500</b>
	<b>15</b> Interest . . . . .	<b>15</b>				
	<b>16a</b> Depreciation (if required, attach Form 4562) . . . . .	<b>16a</b>	<b>2,500</b>			
	<b>b</b> Less depreciation reported on Schedule A and elsewhere on return . . . . .	<b>16b</b>				<b>2,500</b>
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .	<b>17</b>				
	<b>18</b> Retirement plans, etc. . . . .	<b>18</b>				<b>7,500</b>
	<b>19</b> Employee benefit programs . . . . .	<b>19</b>				<b>3,000</b>
	<b>20</b> Other deductions (attach schedule) . . . . .	<b>20</b>				<b>214,872</b>
<b>21 Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20 . . . . .	<b>21</b>					<b>981,422</b>
<b>22 Ordinary income (loss)</b> from trade or business activities. Subtract line 21 from line 8 . . . . .	<b>22</b>					<b>469,205</b>

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

**Please Sign Here**

▶ Signature of general partner or limited liability company member      ▶ Date

**Paid Preparer's Use Only**

Preparer's signature ▶      Date      Check if self-employed       Preparer's SSN or PTIN **001-99-0001**

Firm's name (or yours if self-employed), address, and ZIP code ▶ **ELECTRONIC TAX FILERS, INC.**      EIN ▶ **520000099**

**100 TECO DRIVE RAIN TOWN, WA 98530**      Phone no. (      )

**Schedule A Cost of Goods Sold** (see page 17 of the instructions)

1	Inventory at beginning of year . . . . .	1		
2	Purchases less cost of items withdrawn for personal use . . . . .	2		
3	Cost of labor . . . . .	3		
4	Additional section 263A costs (attach schedule) . . . . .	4		
5	Other costs (attach schedule) . . . . .	5		
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6		
7	Inventory at end of year . . . . .	7		
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8		

- 9a Check all methods used for valuing closing inventory:
- (i)  Cost as described in Regulations section 1.471-3
  - (ii)  Lower of cost or market as described in Regulations section 1.471-4
  - (iii)  Other (specify method used and attach explanation) ▶ .....
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c). . . . ▶
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . ▶
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? . .  Yes  No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information**

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input type="checkbox"/> Domestic general partnership		
b <input checked="" type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶ .....		
2 Are any partners in this partnership also partnerships? . . . . .		X
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment . . . . .		X
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see <b>Designation of Tax Matters Partner</b> below . . . . .		X
5 Does this partnership meet <b>all three</b> of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000; <b>and</b>		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 . . . . .		X
6 Does this partnership have any foreign partners? . . . . .		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? . . . . .		X
8 Has this partnership filed, or is it required to file, <b>Form 8264</b> , Application for Registration of a Tax Shelter? . . . . .		X
9 At any time during calendar year 2000, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 18 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶ .....		X
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 18 of the instructions . . . . .		X
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under <b>Elections Made By the Partnership</b> on page 7 of the instructions . . . . .		X
12 Enter the number of Forms 8865 attached to this return ▶ .....		1

**Designation of Tax Matters Partner** (see page 18 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶	<b>PERRY MASONRY</b>	Identifying number of TMP ▶	<b>001-20-0001</b>
Address of designated TMP ▶	<b>2544 ANY BLVD. ANYTOWN, RI 08544</b>		

**Schedule K Partners' Shares of Income, Credits, Deductions, etc.**

		(a) Distributive share items	(b) Total amount		
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 22)	1	469,205	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2		
	3a	Gross income from other rental activities	3a		
		b	Expenses from other rental activities (attach schedule)	3b	
	c		Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss): a Interest income	4a		
		b Ordinary dividends	4b		
		c Royalty income	4c		
		d Net short-term capital gain (loss) (attach Schedule D (Form 1065))	4d		
		e	Net long-term capital gain (loss) (attach Schedule D (Form 1065)):		
			(1) 28% rate gain (loss) (2) Total for year	4e(2)	
	f	Other portfolio income (loss) (attach schedule)	4f		
	5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6			
7	Other income (loss) (attach schedule)	7			
Deductions	8	Charitable contributions (attach schedule)	8	25,000	
	9	Section 179 expense deduction (attach Form 4562)	9	4,710	
	10	Deductions related to portfolio income (itemize)	10		
	11	Other deductions (attach schedule)	11		
Credits	12a	Low-income housing credit:			
	(1)	From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12a(1)		
	(2)	Other than on line 12a(1) for property placed in service before 1990	12a(2)		
	(3)	From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12a(3)		
	(4)	Other than on line 12a(3) for property placed in service after 1989	12a(4)		
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b		
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c		
d	Credits related to other rental activities	12d			
13	Other credits	13			
Investment Interest	14a	Interest expense on investment debts	14a		
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)		
		(2) Investment expenses included on line 10 above	14b(2)		
Self-Employment	15a	Net earnings (loss) from self-employment	15a	469,205	
	b	Gross farming or fishing income	15b		
	c	Gross nonfarm income	15c	1,450,627	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a		
	b	Adjusted gain or loss	16b		
	c	Depletion (other than oil and gas)	16c		
	d	(1) Gross income from oil, gas, and geothermal properties	16d(1)		
		(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)		
	e	Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a	Name of foreign country or U.S. possession			
	b	Total gross income sourced at partner level	17b		
	c	Total gross income sourced at partnership level (attach schedule):			
		(1) U.S. source and listed categories (2) Passive (3) General limitation	17c(3)		
		d	Deductions allocated and apportioned at partner level:		
	(1)	Interest expense (2) Other	17d(2)		
	e	Deductions allocated and apportioned at partnership level (attach schedule):			
		(1) U.S. source and listed categories (2) Passive (3) General limitation	17e(3)		
f	Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17f			
g	Reduction in taxes available for credit (attach schedule)	17g			
Other	18	Section 59(e)(2) expenditures: a Type b Amount	18b		
	19	Tax-exempt interest income	19	11,702	
	20	Other tax-exempt income	20		
	21	Nondeductible expenses	21		
	22	Distributions of money (cash and marketable securities)	22	480,000	
	23	Distributions of property other than money	23		
	24	Other items and amounts required to be reported separately to partners (attach schedule)			

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17f, and 18b . . . . .						1	439,495
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners		395,545					
b Limited partners		43,950					

**Schedule L Balance Sheets per Books** (Not required if Question 5 on Schedule B is answered "Yes.")

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash . . . . .		64,771		71,535
2a Trade notes and accounts receivable . . . . .	402,658		385,440	
b Less allowance for bad debts . . . . .	3,000	399,658	3,500	381,940
3 Inventories . . . . .				
4 U.S. government obligations . . . . .				
5 Tax-exempt securities . . . . .		205,650		205,650
6 Other current assets (attach schedule) . . . . .		430		130
7 Mortgage and real estate loans . . . . .				
8 Other investments (attach schedule) . . . . .				
9a Buildings and other depreciable assets . . . . .	45,865		50,575	
b Less accumulated depreciation . . . . .	26,750	19,115	33,960	16,615
10a Depletable assets . . . . .				
b Less accumulated depletion . . . . .				
11 Land (net of any amortization) . . . . .				
12a Intangible assets (amortizable only). . . . .	25,000		25,000	
b Less accumulated amortization . . . . .	11,250	13,750	12,250	12,750
13 Other assets (attach schedule) . . . . .		26,200		26,200
14 <b>Total assets</b> . . . . .		729,574		714,820
<b>Liabilities and Capital</b>				
15 Accounts payable . . . . .		54,850		70,250
16 Mortgages, notes, bonds payable in less than 1 year . . . . .				
17 Other current liabilities (attach schedule) . . . . .		99,251		87,900
18 All nonrecourse loans . . . . .				
19 Mortgages, notes, bonds payable in 1 year or more . . . . .				
20 Other liabilities (attach schedule) . . . . .		200,000		210,000
21 Partners' capital accounts . . . . .		375,473		346,670
22 <b>Total liabilities and capital</b> . . . . .		729,574		714,820

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return** (Not required if Question 5 on Schedule B is answered "Yes." See page 29 of the instructions.)

1 Net income (loss) per books . . . . .	451,197	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): . . . . .		a Tax-exempt interest \$ . . . . .	11,702
3 Guaranteed payments (other than health insurance) . . . . .		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17f, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17f, and 18b (itemize):		a Depreciation \$ . . . . .	
a Depreciation \$ . . . . .		8 Add lines 6 and 7 . . . . .	11,702
b Travel and entertainment \$ . . . . .		9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 . . . . .	439,495
5 Add lines 1 through 4 . . . . .	451,197		

**Schedule M-2 Analysis of Partners' Capital Accounts** (Not required if Question 5 on Schedule B is answered "Yes.")

1 Balance at beginning of year . . . . .	375,473	6 Distributions: a Cash . . . . .	480,000	480,000
2 Capital contributed during year . . . . .		b Property . . . . .		
3 Net income (loss) per books . . . . .	451,197	7 Other decreases (itemize): . . . . .		
4 Other increases (itemize): . . . . .		8 Add lines 6 and 7 . . . . .	480,000	
5 Add lines 1 through 4 . . . . .	826,670	9 Balance at end of year. Subtract line 8 from line 5 . . . . .	346,670	



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-20-0001

**Partnership's identifying number** ▶ 52:000020

Partner's name, address, and ZIP code # 1  
PERRY MASONRY  
2544 ANY BLVD.  
ANYTOWN, RI 08544

Partnership's name, address, and ZIP code  
NEVER LOOSE LAWYERS LIMITED PARTNERSHIP  
20 ANY STREET  
ANYTOWN, MA 07548

**A** This partner is a  general partner  limited partner  
 limited liability company member

**B** What type of entity is this partner? ▶ **INDIVIDUAL**

**C** Is this partner a  domestic or a  foreign partner?

**D** Enter partner's percentage of:

	(i) Before change or termination	(ii) End of year
Profit sharing . . . . .	90.0000 %	90.0000 %
Loss sharing . . . . .	90.0000 %	90.0000 %
Ownership of capital . . . . .	90.0000 %	90.0000 %

**E** IRS Center where partnership filed return: **ANDOVER**

**F** Partner's share of liabilities (see instructions):

Nonrecourse . . . . .	\$	-----
Qualified nonrecourse financing . . . . .	\$	-----
Other . . . . .	\$	368,150

**G** Tax shelter registration number . . . . . ▶ -----

**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .

**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
350,000		406,077	( 432,000 )	324,077

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	1 Ordinary income (loss) from trade or business activities . . . . .	1 422,285	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2	
	3 Net income (loss) from other rental activities . . . . .	3	
	4 Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f) Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	a Interest . . . . .	4a	
	b Ordinary dividends . . . . .	4b	
	c Royalties . . . . .	4c	
	d Net short-term capital gain (loss) . . . . .	4d	
	e Net long-term capital gain (loss):		
	(1) 28% rate gain (loss) . . . . .	e(1)	
	(2) Total for year. . . . .	e(2)	
	f Other portfolio income (loss) (attach schedule) . . . . .	4f	
	5 Guaranteed payments to partner . . . . .	5	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065). Enter on applicable line of your return.
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6		
7 Other income (loss) (attach schedule) . . . . .	7		
<b>Deductions</b>	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8 22,500	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	9 Section 179 expense deduction . . . . .	9 4,239	
	10 Deductions related to portfolio income (attach schedule) . . . . .	10	
	11 Other deductions (attach schedule) . . . . .	11	
<b>Credits</b>	12a Low-income housing credit:		} Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
	d Credits related to other rental activities . . . . .	12d	
13 Other credits . . . . .	13		

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14a Interest expense on investment debts . . . . .	14a	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b (1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1)	
	(2) Investment expenses included on line 10 . . . . .	b(2)	
Self-employment	15a Net earnings (loss) from self-employment . . . . .	15a 422,285	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	b Gross farming or fishing income . . . . .	15b	
	c Gross nonfarm income . . . . .	15c 1,305,564	
Adjustments and Tax Preference Items	16a Depreciation adjustment on property placed in service after 1986 . . . . .	16a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b Adjusted gain or loss . . . . .	16b	
	c Depletion (other than oil and gas) . . . . .	16c	
	d (1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)	
	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)	
e Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a Name of foreign country or U.S. possession ▶ . . . . .	17a	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.
	b Total gross income sourced at partner level . . . . .	17b	
	c Total gross income sourced at partnership level (attach schedule):	17c	
	(1) U.S. source and listed categories . . . . .	17c(1)	
	(2) Passive . . . . .	17c(2)	
	(3) General limitation . . . . .	17c(3)	
	d Deductions allocated and apportioned at partner level:	17d	
	(1) Interest expense . . . . .	17d(1)	
	(2) Other . . . . .	17d(2)	
	e Deductions allocated and apportioned at partnership level (attach schedule):	17e	
(1) U.S. source and listed categories . . . . .	17e(1)		
(2) Passive . . . . .	17e(2)		
(3) General limitation . . . . .	17e(3)		
f Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .	17g		
Other	18 Section 59(e)(2) expenditures: a Type ▶ . . . . .	18a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065). Form 1040, line 8b } See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).  } Form 8611, line 8
	b Amount . . . . .	18b	
	19 Tax-exempt interest income . . . . .	19 10,532	
	20 Other tax-exempt income . . . . .	20	
	21 Nondeductible expenses . . . . .	21	
	22 Distributions of money (cash and marketable securities) . . . . .	22 432,000	
	23 Distributions of property other than money . . . . .	23	
24 Recapture of low-income housing credit:	24		
a From section 42(j)(5) partnerships . . . . .	24a		
b Other than on line 24a . . . . .	24b		
Supplemental Information	25 Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		
	LINE 8 - CHARITABLE CONTRIBUTIONS:		
	LEGAL SERVICES CORPORATION	18,000	
	THE JIMMY FUND	4,500	
	TOTAL	22,500	



**SCHEDULE K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 2000 or tax year beginning

, 2000, and ending

, 20

OMB No. 1545-0099

**2000**

**Partner's identifying number** ▶ 001-20-0002

**Partnership's identifying number** ▶ 52:000020

Partner's name, address, and ZIP code # 2  
ALLISON MCREAL  
2544 ANY AVENUE  
ANYTOWN, MA 07548

Partnership's name, address, and ZIP code  
NEVER LOOSE LAWYERS LIMITED PARTNERSHIP  
20 ANY STREET  
ANYTOWN, MA 07548

**A** This partner is a  general partner  limited partner  
 limited liability company member

**B** What type of entity is this partner? ▶ **INDIVIDUAL**

**C** Is this partner a  domestic or a  foreign partner?

**D** Enter partner's percentage of:

	(i) Before change or termination	(ii) End of year
Profit sharing . . . . .	10.0000 %	10.0000 %
Loss sharing . . . . .	10.0000 %	10.0000 %
Ownership of capital . . . . .	10.0000 %	10.0000 %

**E** IRS Center where partnership filed return: **ANDOVER**

**F** Partner's share of liabilities (see instructions):

Nonrecourse . . . . .	\$	.....
Qualified nonrecourse financing . . . . .	\$	.....
Other . . . . .	\$	.....

**G** Tax shelter registration number . . . . . ▶

**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . .

**I** Check applicable boxes: (1)  Final K-1 (2)  Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
25,473		45,120	( 48,000 )	22,593

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Income (Loss)</b>	1 Ordinary income (loss) from trade or business activities . . . . .	1 46,920	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	2 Net income (loss) from rental real estate activities . . . . .	2	
	3 Net income (loss) from other rental activities . . . . .	3	
	4 Portfolio income (loss):		} Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f)
	a Interest . . . . .	4a	
	b Ordinary dividends . . . . .	4b	
	c Royalties . . . . .	4c	
	d Net short-term capital gain (loss) . . . . .	4d	
	e Net long-term capital gain (loss):		
	(1) 28% rate gain (loss) . . . . .	e(1)	} Sch. D, line 12, col. (g) Sch. D, line 12, col. (f)
	(2) Total for year. . . . .	e(2)	
	f Other portfolio income (loss) (attach schedule) . . . . .	4f	} Enter on applicable line of your return.
	5 Guaranteed payments to partner . . . . .	5	
6 Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	6	} See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).	
7 Other income (loss) (attach schedule) . . . . .	7		
<b>Deductions</b>	8 Charitable contributions (see instructions) (attach schedule) . . . . .	8 2,500	} Sch. A, line 15 or 16 See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	9 Section 179 expense deduction . . . . .	9 471	
	10 Deductions related to portfolio income (attach schedule) . . . . .	10	
	11 Other deductions (attach schedule) . . . . .	11	
<b>Credits</b>	12a Low-income housing credit:		} Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	a(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities . . . . .	12b	} See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
	d Credits related to other rental activities . . . . .	12d	
13 Other credits . . . . .	13		

		(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:	
Investment Interest	14a	Interest expense on investment debts . . . . .	14a	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	b(1)		
		(2) Investment expenses included on line 10 . . . . .	b(2)		
Self-employment	15a	Net earnings (loss) from self-employment . . . . .	15a 46,920	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	b	Gross farming or fishing income . . . . .	15b		
	c	Gross nonfarm income . . . . .	15c 145,063		
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986 . . . . .	16a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.	
	b	Adjusted gain or loss . . . . .	16b		
	c	Depletion (other than oil and gas) . . . . .	16c		
	d	(1) Gross income from oil, gas, and geothermal properties . . . . .	d(1)		
	e	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	d(2)		
	e	Other adjustments and tax preference items (attach schedule)	16e		
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶	17a	} Form 1116, Part I  } Form 1116, Part II  } Form 1116, Part III and Instructions for Form 1116.	
	b	Total gross income sourced at partner level . . . . .	17b		
	c	Total gross income sourced at partnership level (attach schedule):	(1) U.S. source and listed categories . . . . .		17c(1)
			(2) Passive . . . . .		17c(2)
			(3) General limitation . . . . .		17c(3)
	d	Deductions allocated and apportioned at partner level:	(1) Interest expense . . . . .		17d(1)
			(2) Other . . . . .		17d(2)
	e	Deductions allocated and apportioned at partnership level (attach schedule):	(1) U.S. source and listed categories . . . . .		17e(1)
			(2) Passive . . . . .		17e(2)
			(3) General limitation . . . . .		17e(3)
	f	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17f		
g	Reduction in taxes available for credit and other foreign tax information (attach schedule) . . . . .				
Other	18	Section 59(e)(2) expenditures: a Type ▶	18a	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).	
	b	Amount . . . . .	18b		
	19	Tax-exempt interest income . . . . .	19 1,170	Form 1040, line 8b	
	20	Other tax-exempt income . . . . .	20	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).	
	21	Nondeductible expenses . . . . .	21		
	22	Distributions of money (cash and marketable securities) . . . . .	22 48,000		
	23	Distributions of property other than money . . . . .	23		
24	Recapture of low-income housing credit:	a From section 42(j)(5) partnerships . . . . .	24a	} Form 8611, line 8	
		b Other than on line 24a . . . . .	24b		
Supplemental Information	25	Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):			
		LINE 8 - CHARITABLE CONTRIBUTIONS:			
		LEGAL SERVICES CORPORATION	2,000		
		THE JIMMY FUND	500		
		TOTAL	2,500		

