

Partner PA Outside Tax Basis in a Partnership Worksheet



Partnership Name: _____ EIN: _____

Partner's Name: _____ SSN: _____

Tax Year: _____

Partner's Outside Basis

1. Partner's Outside Basis at Beginning of Year *		1
INCREASES TO PARTNER'S BASIS		
2. Partner's Contributions:		
2a Cash	2a	
2b Property (adjusted value)	2b	
2c Services (Fair Market Value - if taxed)	2c	
3. Increase in Partner's Assumption of Partnership Liabilities	3	
4. Partner's Distributive Share of Income		
4a Interest income (resident only)	4a	
4b Dividend income (resident only)	4b	
4c Net income from the operation of a business, profession or farm	4c	
4d Net income from rents, royalties, copyrights and patents	4d	
4e Net gain from sale, exchange or disposition of property	4e	
4f Other classes of income (excluding gross compensation)	4f	
4g Non-taxable income	4g	
4h Other increases to basis (submit detailed statement)	4h	
5. Total Increases to Partner's Basis (Add Lines 2a through 4h)		5
DECREASES TO PARTNER'S BASIS		
6. Decreases for Non-Taxable Distributions		
6a Non-taxable cash distributions	6a ()	
6b Non-taxable property distributions	6b ()	
6c Decrease in share of partnership liabilities	6c ()	
TOTAL NON-TAXABLE DISTRIBUTIONS (Add Line 6a through Line 6c)		6 ()
7. Partner's Basis after Distributions		
Notes:		
-Basis cannot be less than zero due to distributions		
-Distributions in excess of basis are taxed as gains for PA purposes		
7a Line 1 + Line 5 + Line 6	7a	
7b If Line 7a is \$0 or greater, then Line 7 = Line 7a and Line 7c = \$0 (go to Line 8)		
7c If Line 7a is less than \$0, then Line 7 = \$0 and Line 7c = Line 7a	7c	
7d Enter Line 7c on PA-40 Schedule D, Line 8		7
PARTNER'S SHARE OF DISTRIBUTIVE LOSSES **		
8. Net Loss from the Operation of a Business, Profession or Farm		
8a Net loss from the operation of a business, profession or farm from RK-1/NRK-1	8a ()	
8b Partner's utilized loss (amount of 8a loss used to offset PA-40 in-class income)	8b ()	
8c Partner's share of straight-line depreciation	8c ()	
Line 8 = 8a if 8a = 8b; Line 8 = 8c if 8b = \$0; Otherwise, Line 8 = 8b + (((8a - 8b) / 8a) x 8c)		8 ()
9. Net Loss from Rents, Royalties, Copyrights and Patents		
9a Net loss from rents, royalties, copyrights and patents from RK-1/NRK-1	9a ()	
9b Partner's utilized loss (amount of 9a loss used to offset PA-40 in-class income)	9b ()	
9c Partner's share of straight-line depreciation	9c ()	
Line 9 = 9a if 9a = 9b; Line 9 = 9c if 9b = \$0; Otherwise, Line 9 = 9b + (((9a - 9b) / 9a) x 9c)		9 ()
10. Net Loss from Sale, Exchange or Disposition of Property		
10a Net loss from sale, exchange or disposition of property from RK-1/NRK-1	10a ()	
10b Partner's utilized loss (amount of 10a loss used to offset PA-40 in-class income)	10b ()	
Line 10 = 10b		10 ()
11. Total Share of Partner's Distributed Losses (Add Lines 8, 9 and 10)		11 ()
12. Decrease for PA Business Credits		12 ()
13. Total Other Decreases to Basis, including nondeductible expenses (Submit detailed statement)		13 ()
14. Partner's Ending Outside Basis (Add Lines 7, 11, 12 and 13) Cannot be less than zero		14

* - Enter prior year ending basis or zero if it is the first year.

** - PA law requires a partnership to depreciate property by a minimum amount it determines using the straight-line method even if the depreciation calculated under this method does not provide any tax benefit. Tax benefit means that the partner reduces the PA tax liability or the tax liability to another state. Therefore, if a partner receives a distributable share of a loss and does not receive a benefit from the loss, the partner must still reduce his/her basis by his/her share of straight-line depreciation. However, if the partner only received a partial benefit from the loss, the partner must reduce his/her basis by (1) the loss utilized and (2) a portion of the partner's share of straight-line depreciation. This is calculated by the unutilized loss divided by the total loss, multiplied by the partner's share of straight-line depreciation. If the partner receives full benefit of the loss then the maximum amount the taxpayer must reduce his/her basis by is the total loss.