

SCHEDULE NW – NONRESIDENT WITHHOLDING  
PAYMENTS PA S CORPORATION AND  
PARTNERHSIP

**GENERAL INSTRUCTIONS**

**Purpose of Form**

Use the PA-20S/PA-65 Schedule NW to list all withholding payments the PA S corporation or partnership made on behalf of individual shareholders or partners, estates, or trusts that were not residents of Pennsylvania during the taxable year. This information is used to reconcile the total tax withheld from nonresident owners that are individuals, estates, or trusts to the total credit claimed by nonresident owners that are individuals, estates, or trusts on their Pennsylvania tax returns.

NOTE: An entity may not withhold Pennsylvania personal income tax for another entity or for intangibles such as interest, dividends or sale of stock.

**SPECIFIC INSTRUCTIONS**

**Line A. Pennsylvania Tax Due on Pennsylvania-Taxable Income to Nonresident Individuals, Estates or Trusts**

Calculate the amount of tax the nonresident individuals, estates or trusts owe Pennsylvania. Total the income (do not deduct any losses) from Lines 1 through 5, and Line 10 of all PA-20S/PA-65 Schedule(s) NRK-1 that the entity provides to its nonresident owners that are individuals, estates or trusts, from whom Pennsylvania law requires it withhold Pennsylvania personal income tax. Multiply the total by 3.07 percent and enter on PA-20S/PA-65 Schedule NW, Line A.

**Line B. Nonresident Withholding Payments during the Entity's Taxable Year**

Enter each withholding payment that the entity made on behalf of its nonresident owners that are individuals, estates, or trusts during the taxable year and the total amount of all payments.

**Line C. Reconciliation Payment**

Compare Line A to the total amount of Line B:

- If Line A is greater than the total amount of Line B, subtract Line B from Line A. Enter the difference on PA-20S/PA-65 Schedule NW, Line C and on PA-20S/PA-65 Information Return, Part V, Line 14b.

Line C is the amount the entity must remit with its PA-20S/PA-65 Information Return. The tax being remitted is not necessarily the tax that was collected from the nonresident owners that are individuals, whose tax liability is reported on the PA-40 Nonresident Consolidated Income Tax Return.

- If the total amount of Line B is greater than Line A, enter zero. The nonresident owners that are individuals, estates, or trusts receive their share of the withholding payments on their PA-20S/PA-65 Schedules NRK-1, Line 6.

If the PA S corporation or partnership did not file a PA-40 Nonresident Consolidated Income Tax Return and wants a refund, or to carry forward to the next tax year the entire amount of tax withheld, or the excess over the withholding passed through to the nonresident owners that are individuals, estates, or trusts, the entity must submit a written request to:

PA DEPARTMENT OF REVENUE  
BUREAU OF INDIVIDUAL TAXES  
PO BOX 280509  
HARRISBURG PA 17128-0509

SCHEDULE J – INCOME FROM ESTATES AND  
TRUSTS

**WHAT'S NEW THIS YEAR**

Total Estate or Trust Income – the instructions were changed to the following, for clarification.

"Column (c) – Total Column (c) and enter the amount on the PA-20S/PA-65 Information Return, Part III, Line 7b."

"Column (d) – Total Column (d) and subtract Column (c) from Column (d). Enter difference on the PA-20S/PA-65 Information Return, Part III, Line 7a."

**GENERAL INSTRUCTIONS**

**Purpose of Form**

Use the PA-20S/PA-65 Schedule J to report the total income received from an estate or trust or that the estate or trust credited to you as reported on PA-20S/PA-65 Schedule RK-1 and/or NRK-1. For Pennsylvania income tax purposes, an estate or trust cannot distribute a loss.

If a PA S corporation or partnership receives a PA-20S/PA-65 Schedule RK-1 or NRK-1 that reports income from an estate or trust, the entity must complete PA-20S/PA-65 Schedule J using the information provided from the RK-1/NRK-1 and distribute the income to the partners or shareholders as applicable.

**SPECIFIC INSTRUCTIONS**

**Column (a) Name and Address of each Estate or Trust**

Enter the complete name and address of each estate or trust.

**Column (a) Schedule RK-1/NRK-1**

Check the box if the estate or trust reported income on a PA-20S/PA-65 Schedule RK-1 or NRK-1.

**Column (b) Federal EIN**

Enter the estate or trust federal employer identification number (FEIN).

**PA-20S/PA-65 Schedule NW / J**  
**Nonresident Withholding Payments PA S**  
**Corporation and Partnership (NW)/**  
**Income from Estates or Trusts (J)**  
**Instructions**  
**PA-20S/PA-65 Schedule NW / J (12-09)**



**Column (c) Pennsylvania-Source Income**

If a federal Schedule K-1 was received instead of a PA-20S/PA-65 Schedule RK-1 or NRK-1, if applicable enter Pennsylvania-source income from the estate or trust.

**Column (d) Total Income Everywhere**

If a federal Schedule K-1 was received instead of a PA-20S/PA-65 Schedule RK-1 or NRK-1, enter total income from everywhere from the estate or trust.

**Income from PA S Corporation(s) and Partnership(s) from your PA-20S/PA-65 Schedule(s) RK-1 or NRK-1.**

Enter the estate or trust income and/or total income from everywhere the entity received from an estate or trust.

**Total Estate or Trust Income**

Column (c) – Total Column (c) and enter the amount on the PA-20S/PA-65 Information Return, Part III, Line 7b.

Column (d) – Total Column (d), subtract Column (c) from Column (d) and enter difference on the PA-20S/PA-65 Information Return, Part III, Line 7a.