

HP-1065

CITY OF HIGHLAND PARK PARTNERSHIP RETURN

EXTENSION NUMBER Do Not Write in This Space

TAXPAYER MUST FILL IN DATES

FOR TAXABLE PERIOD BEGINNING.....ENDING.....

PLEASE TYPE OR PRINT Name of Partnership, Date Business Commenced, Number of Employees on December 31, Number of Partners, Type of Return - Check One, Federal employer identification number

Please attach copy of U.S. Partnership Income Tax Form 1065 NAME, SOCIAL SECURITY NUMBER AND HOME ADDRESS OF EACH PARTNER

Table with 4 columns: CHECK COL. A OR B OR FILL IN COL. C, A RESIDENT FULL YEAR, B NON-RESIDENT FULL YEAR, C IF RESIDENT PART OF YEAR INDICATE TIME PERIOD. Rows a-e for S.S. #.

INCOME

Table with 7 columns: COL. 1 TOTAL INCOME, COL. 2 DIVIDEND EXCLUSION AND OTHER DEDUCTIONS, COL. 3 EXEMPTIONS, COL. 4 TAXABLE INCOME, COL. 5 (a) RESIDENT TOTAL TAX, COL. 5 (b) NONRESIDENT TOTAL TAX, COL. 6 CREDITS. Rows 1-6.

7. Total Tax - column 5(a) plus column 5(b)..... \$..... Do Not Write in Space Below

PAYMENTS AND CREDITS

8. a. Tax paid with tentative return..... \$..... b. Payments and credits on Declaration of Estimated Highland Park Income Tax..... c. Other credits - explain in attached statement..... 9. Total - add lines 8a, b, and c. (This total must agree with the total of col. 6 above)..... \$.....

AUDIT BY FORM LETTER REFUND CK. # DATE ASSESS. NO. DATE TO INVEST.

TAX DUE OR REFUND

10. If your tax (line 7) is larger than your payments (line 9) enter BALANCE DUE..... \$..... 11. If your payments (line 9) are larger than your tax (line 7) enter OVERPAYMENT..... \$.....

PAY IN FULL WITH THIS RETURN TO: CITY OF HIGHLAND PARK P.O. BOX 239, EATON RAPIDS, MI 48827

12. Amount on line 11 is to be: (A) Credited on Next Year's Estimated Tax (B) Refunded

NOTE 1 - A partner who has other income in addition to the partnership income must file an individual return and show on such return the amounts entered above in columns 1,2 and 6. A partner who is claiming his exemption as a member of another partnership is NOT to claim his exemption in this partnership return in column 3. NOTE 2 - The partnership may pay tax for partners only if it pays for ALL partners subject to the tax. If the partnership elects to use this return as an information return, complete pages 2,3 and 4, and fill in column 1 above; it will not be necessary to fill in columns 2 through 6 since a computation of the tax need not be made.

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. If prepared by a person other than taxpayer, his declaration is based on all information of which he has any knowledge.

SIGN HERE (Signature of partner or member) (Date)

SIGN HERE (Signature of preparer other than partner or member) (Address) (Date)

Mail to: City of Highland Park Partnership Return, P.O. Box 239, Eaton Rapids, MI 48827

INCOME FROM PARTNERSHIP – SCHEDULE C

(Attach a copy of Federal Income Tax Return Form 1065)

For the Year Ending....., 20.....

- A. Name as shown on page 1 of Form HP-1065
- B. Principal Business Activity
- C. Business Location
(Number and street or rural route) (City or post office) (State) (Postal Zip Code)
- D. Telephone No Name of person in charge of records

ORDINARY INCOME FROM BUSINESS

- | | | |
|--|----|--|
| <p>1. Gross receipts \$, less allowance, rebates and returns \$</p> <p>2. Inventory at beginning of year (if different than last year's closing inventory attach explanation) \$</p> <p>3. Merchandise purchased \$, less any items withdrawn from business for personal use \$</p> <p>4. Cost of labor (do not include amounts paid to partners)</p> <p>5. Material and supplies</p> <p>6. Other costs (explain in attached statement)</p> <p>7. Total of lines 2 through 6</p> <p>8. Inventory at end of year</p> <p>9. Cost of goods sold (line 7 less line 8)</p> <p>10. Gross profit (subtract line 9 from line 1)</p> <p>11. Miscellaneous income (do not include any items included on lines 25 through 31)</p> <p>12. Total Income (lines 10 and 11)</p> | \$ | |
|--|----|--|

OTHER BUSINESS DEDUCTIONS

- | | | |
|--|----|--|
| <p>13. Salaries and wages not included on line 4 (exclude any paid to partners) \$</p> <p>14. Payments to partners – salaries and interest – enter here and on p. 3, Sch. E, col. 2</p> <p>15. Rent on business property</p> <p>16. Losses of business property (attach statement listing items and location)</p> <p>17. Depreciation</p> <p>18. Taxes</p> <p>19. Other business expenses (attach statement)</p> <p>20. Total of lines 13 through 19</p> <p>21. Ordinary income from business – line 12 less line 20</p> <p>22. Add City of Highland Park and Michigan income tax if included in line 20 above</p> <p>23. Add interest and other costs included in line 20 which were incurred in connection with the production of tax exempt income or partners' personal expenses which were charged to the business</p> <p>24. Total adjusted ordinary income from business for the year (add lines 21 through 23). Enter here and on p. 3, Schedule E, col. 1</p> | \$ | |
|--|----|--|

OTHER PARTNERSHIP INCOME OR LOSS (taxable or non-taxable depending on residency of partners)

- | | | |
|--|--|--|
| <p>25. Dividends \$, Interest \$ (enter total of dividends and interest)</p> <p>26. Income (or loss) from other partnerships and other income</p> <p>*27. Net gain (or loss) from sale or exchange of property other than capital assets (See Note)</p> <p>*28. Net short term gain (or loss) from sale or exchange of capital assets (See Note)</p> <p>*29. Net long term gain (or loss) from sale or exchange of capital assets (See Note)</p> <p>*30. Net gain (or loss) from sale or exchange of property under Section 1231</p> <p>31. Rents \$, Royalties \$ (enter total of rents and royalties)</p> <p>32. Total partnership income to account for (add lines 24 through 31)</p> | | |
|--|--|--|

*NOTE: The amounts on lines 27, 28, 29 and 30 should agree with the amounts reported on Schedule D of your Federal partnership form 1065.

THE FOLLOWING SCHEDULES B AND E, ON PAGE 3, ARE TO BE USED TO COMPUTE THE TAXABLE PORTION OF THE INCOME OF THE PARTNERSHIP AS SHOWN ON LINE 32 ABOVE

(ATTACH A COPY OF FEDERAL INCOME TAX RETURN FORM 1065)
NON - BUSINESS INCOME OR LOSS - INTEREST, DIVIDENDS, SALE OR EXCHANGE OF PROPERTY, RENTS, ROYALTIES, ETC. - SCHEDULE B

	DISTRIBUTION OF COL. 1			DISTRIBUTION OF COL. 3	
	COL. 2 PORTION OF COL. 1 APPLICABLE TO RESIDENT PARTNERS	COL. 3 PORTION OF COL. 1 APPLICABLE TO NON-RESIDENT PARTNERS	COL. 4 EXCLUDABLE PORTION OF COL. 3 - NOT TAXABLE TO NON-RESIDENT PARTNERS	COL. 5 PORTION OF COL. 3 TAXABLE TO NON-RESIDENT PARTNERS	
INTEREST AND DIVIDENDS:					
1. Total interest and dividends from line 25, P. 2, Schedule C					
2. Less: Interest from obligations of U.S. governmental units					
3. Net interest and dividend income	\$	\$	\$	XXXXXXXXXXXXXXXXXXXXXXXXXXXX	
SALE OR EXCHANGE OF PROPERTY:					
4. Total gain (or loss) -total of lines 27, 28, 29 and 30, P. 2, Schedule C					
5. Gain (or loss) attributable to the period after July 1, 1966.....					\$
RENTS AND ROYALTIES:					
6. Net income (or loss) from rents and royalties from line 31, p. 2, Schedule C.....					
INCOME FROM OTHER PARTNERSHIPS, ESTATES, TRUSTS, ETC.					
7. Income (or loss) from other partnerships and other income from line 26, p. 2, Schedule C.....					
8. less exempt income.....					
9. Net income (or loss) from other partnerships and other income.....					
10. TOTALS (lines 3, 5, 6 and 9).....					

NOTE: Only the totals of Columns 2 and 5 should be distributed in Schedule E below, in Cols. 6a and 6b.

**SCHEDULE E
SUMMARY OF SCHEDULES B AND C**

	COL. 1 INCOME FROM BUSINESS OPERATIONS (FROM P. 2, SCH. C, LINE 24)	COL. 2 PAYMENT TO PARTNERS- SALARIES AND INTEREST (FROM P. 2, SCH. C, LINE 14)	COL. 3 INCOME SUBJECT TO ALLOCATION (ADD COLS. 1 AND 2)	COL. 4 ALLOCATION % FROM P. 4, SCH. D, APPLY ONLY TO NON-RESIDENTS (ENTER 100% FOR RESIDENTS)	COL. 5 ALLOCATED INCOME (COL. 3 x % IN COL. 4)	COL. 6(a) NON-BUSINESS INCOME TAXABLE TO RESIDENT PARTNERS (TOTAL MUST EQUAL LINE 10, COL. 2, SCH. B)	COL. 6(b) NON-BUSINESS INCOME TAXABLE TO NON-RESIDENT PARTNERS (TOTAL MUST EQUAL LINE 10, COL. 5, SCH. B)	COL. 7 TOTAL INCOME (ADD COLS. 5, 6a AND 6b FOR EACH PARTNER ENTER HERE AND ON P. 1, COL. 1)
(a) \$.....				% \$.....	\$	\$	\$	\$
(b).....								
(c).....								
(d).....								
(e).....								
Totals								

BUSINESS ALLOCATION FORMULA-SCHEDULE D

	LOCATED EVERYWHERE I	LOCATED IN HIGHLAND PARK II	PERCENTAGE I / II
1. Average net book value of Mai and tangible personal property			
a. Gross annual mm paid for real property only multiplied by 8.....			
b. TOTAL (Add lines I and I a)%
2. Total wages, salaries, commissions and other compensation of all employees (exclude partners).....		%
3. Gross receipts from sales made or services rendered%
4. Total Percentages- add ** three percentages computed for lines I b, 2 and 3 which you entered in*9 lost column (you must compute a percentage for each of lines I 1b, 2 and 3. _____→		%
5. Average percentage (one-third of line 4) - enter here and on P.3, Sch. E, Col. 4 (**note below) _____→		%

NOTE: In determining the average percentage (line 5), a factor shall be excluded from the computation only when such factor does not exist anywhere insofar as the taxpayer's business operation is concerned and, in such cases, the sum of the percentages on line 4 shall be divided by the number of factors actually used.

In the case of a taxpayer authorized by the Administrator to use mm of the special formulas use the lines provided below.

- a. Numerator
- b. Denominator
- c. Percentage (a ÷ b) enter here and on p. 3, Sch. E Col. 4
- d. Date of Administrator's approval letter

INSTRUCTIONS FOR BUSINESS ALLOCATION FORMULA - SCHEDULE D

The business allocation percentage is to be applied by **NON-RESIDENT** partners to their distributive share of business income if business activity of the partnership is conducted both within and without the City of Highland Park. In order to use "the separate accounting method" for years beginning on and after January 1, 1970, permission must be requested in writing from the administrator not more than 90 days after the beginning of the taxpayer's year.

Line 1. Enter in Column I the average net book value of all real and tangible personal prop" owned by the business, regardless of location; and in column II show the average net book value of the real and tangible personal prop" owned and located or used in the City of Highland Park. The average net book value of real and tangible personal property may be determined by adding the net book values at the beginning of the year and the net book values at the end of the year and dividing the sum thus obtained by two. Any other method which will accurately reflect the average net

book value for the year will also be permitted.

Line 1 a. Enter in column I the gross annual rent multiplied by 8 for all rented real prop" regardless of location. In column II show the gross annual rent multiplied by 8 for rented real property, located in the City of Highland Park. Gross annual rent refers to real prop" only, rented or leased, and should include the actual sums of money or other consideration payable, directly or indirectly, by the taxpayer for the use or possession of such real prop".

Line 2. Enter in column I the total compensation paid to all employees during the year and in column II show the amount of compensation paid to employees paid for work done or services performed within the City of Highland Park during the year.

Line 3. Enter in column I the total gross receipts from all sales made or services rendered during the year and in column II show the amount of gross receipts from sales made or services rendered in the City of Highland Park during the year.