

1999
FORM BI-473
BUSINESS PARTNERSHIP/LLC SCHEDULE INSTRUCTIONS
For Those Entities Filing Federal Form 1065/1065-B
and Having Vermont Nonresident Partners.

DO NOT COMPLETE FORM BI-473 IF:

➤ all of your partners/members were Vermont residents for the entire year.

Regulation § 1.5833-1 Allocation and Apportionment of Income became effective for tax years beginning on or after January 1, 1998. A copy of this regulation is available at the Department of Taxes' web site at the address given below. A brief discussion of apportionment and allocation of Vermont net income is also provided in the instructions for **Vermont Form BA-402, Vermont Apportionment & Allocation Schedule**.

For taxable years beginning on or after January 1, 1997, Partnerships and Limited Liability Companies are treated as pass-through entities. Tax is imposed on the income of the business at the partner or member level and the entity must make estimated payments for non-Vermont partners or members.

Effective for tax years on or after January 1, 1998, the pass-through entity is liable for the \$250.00 minimum annual tax.

Refer to the latest Vermont Department of Taxes **Technical Bulletin (TB-05) with Addendum issued 09/28/98** and instructions for **Form WH-435 Estimated Income Tax Payments For Nonresident Shareholders or Partners** for more information on the subject, or call (802) 828-5723.

**** RETURNS AND PAYMENTS CANNOT BE PROCESSED WITHOUT THE VBA# ****

Please use blue or black ink. The schedule allows entry of cents. If you are using whole dollars, enter 00 in the last two boxes after the decimal point.

Enter your business name and Vermont Business Account Number (VBA#).

- Line 1:** Ordinary income (loss) from Federal Form 1065, Page 1, line 22.
- Line 2:** Net income (loss) from rental real estate and other rental activities from Federal Form 1065, Schedule K, lines 2 and 3c.
- Line 3:** Portfolio income (loss) from Federal Form 1065, Schedule K, lines 4a through 4d, 4e(2), and 4f.
- Line 4:** Net gain (loss) IRC 1231 (other than due to casualty or theft) from Federal Form 1065, Schedule K, Line 6. Attach a schedule.
- Line 5:** Other income (loss) from Federal Form 1065, Schedule K, line 7. Attach a schedule.
- Line 6:** Enter the amount of interest received by the partnership from non-Vermont municipal bonds which are exempt from federal tax. Interest received on the bonds of states other than Vermont is taxable under the Vermont income tax law.
- Line 7:** **Total income** Add lines 1 through 6 and enter the result here.
- Line 8:** Enter the amount of U.S. Government interest included in line 7 above.
- Line 9:** **Net income** Subtract line 8 from line 7. Enter the result here.
- Line 10:** **Net Income Apportioned & Allocated to Vermont** Enter the amount from Form BA-402, Part1,line1b.
- Line 11:** **Vermont Net Income to be Apportioned** Subtract line 10 from line 9. Enter the results.
- Line 12:** **Vermont Apportioned Percentage** Enter amount from Form BA-402, line 23.
- Line 13:** **Net Income Apportioned to Vermont** Multiply line 11 by line 12 and enter the results.
- Line 14:** **Total Net Income Allocated and Apportioned to Vermont** Add lines 10 and 13. Enter the results.

FORM BI-473 INSTRUCTIONS (Side 2)

Nonresident Share of Line 14 (Reported on side 2 of Vermont Form BI-473)

Complete columns (A) through (H) on Side two for each nonresident partner. **DO NOT** include Vermont resident partner or member information.

- ◆ The nonresident partner's portion is the amount of line 14 corresponding to his/her partnership interest percentage;
- ◆ And the guaranteed payments to partners (Federal Schedule K-1, line 5) apportioned by the percentage on line 23 of **Vermont Form BA-402 Vermont Apportionment & Allocation Schedule**.
- ◆ Multiply the amount in line 14 by the percentage reported on Federal Schedule K-1 for each nonresident;
- ◆ And multiply the guaranteed payment to each partner by the percentage in line 23 of **Vermont Form BA-402**.
- ◆ Enter the resultant nonresident partner's portion(s) in columns (D) and (E), respectively.
- ◆ Add columns (D) and (E) and enter the result in column (F).
- ◆ Indicate in column (G) the total year estimated payments (with Vermont Form WH-435) made on behalf of the partner.
- ◆ If this entity has **approval to file a composite (block) return**, indicate in column (H) those members consenting to and included in this filing. Those not included in the composite return are liable for their own individual filing(s).

Mail Forms BI-471, BI-473, and, if applicable, BA-402, a copy of Federal Form 1065, or Federal Form 1065-B with a pro-forma Federal Form 1065, and all Schedule K-1's to:

**State of Vermont
Department of Taxes
109 State Street
Montpelier, VT 05609-1401**

Taxpayer Services:	(802) 828-5723
Email Address:	sweston@tax.state.vt.us
Web Site Address:	http://www.state.vt.us/tax
Facsimile:	(802) 828-2720
Forms:	(802) 828-2515



1999 VERMONT *Partnership/Limited Liability Company Schedule*

PRINT in BLUE or BLACK INK

Business/Entity Name

Vermont Business Account Number

Attach a complete copy of Federal Form 1065 and Schedule K-1's for all partners/members.
 (Provide a proforma Form 1065 if filing a Federal Form 1065-B)

INCOME

Place an "X" in the box to indicate a loss amount.

- 1. Ordinary income or (loss) from trade or business activities. Federal Form 1065, Page 1, Line 22. 1. , , , .
- 2. Net income or (loss) from rental real estate and other rental activities. Form 1065, Schedule K, Lines 2 & 3c. 2. , , , .
- 3. Portfolio income or (loss) from Form 1065, Schedule K. Add Lines 4a, 4b, 4c, 4d, 4e(2) & 4f. 3. , , , .
- 4. Net gain or (loss), Section 1231 (other than due to casualty or theft) Form 1065, Schedule K, Line 6. Attach schedule 4. , , , .
- 5. Other income or (loss) from Form 1065, Schedule K, Line 7. Attach schedule. 5. , , , .
- 6. Non-Vermont municipal bond income. See instructions 6. , , , .
- 7. Total Income. Add Lines 1 through 6. 7. , , , .
- 8. U.S. Government interest included in Line 7 8. , , , .
- 9. Total Net income. Subtract Line 8 from Line 7. Enter the result 9. , , , .
- 10. Net Income Allocated Directly to Vermont. (Part 1, Line 1b, Form BA-402, or leave blank. 10. , , , . ♦
- 11. Net Apportionable Income. Subtract Line 10 from Line 9. Enter results here. 11. , , , . ♦
- 12. Vermont apportionment percentage from Vermont Form BA-402, Line 23, or enter 100% 12. . % ♦
- 13. Net income apportioned to Vermont. Multiply Line 11 by Line 12. Enter results here. 13. , , , .
- 14. Total Net Income Allocated and Apportioned to Vermont (add Lines 10 & 13). Enter the results here. 14. , , , . ♦

Indicate each nonresident partner/member's share of Line 14 on Side 2.