

RI-1065 RHODE ISLAND PARTNERSHIP INCOME INFORMATION RETURN

(SEE REVERSE SIDE FOR INSTRUCTIONS)

2004

YEAR END This return is for the year January 1, 2004 through December 31, 2004 or other fiscal year beginning _____ (month) _____ (day), 2004 and ending _____ (month) _____ (day), 200__

NAME AND ADDRESS	Name of Partnership		Federal Identification Number
	Address Line 1		
	Address Line 2		
	City, Town or Post Office	State	Zip code

KIND OF BUSINESS Principle Business Activity _____ Date Business Commenced _____

1. Does this partnership derive income exempt from federal income tax but taxable by Rhode Island law?..... Yes No
2. Does this partnership derive income subject to federal income tax but exempt by Rhode Island law?..... Yes No
If you answered "yes" to question 1 or 2 above, complete schedules A and B.
- 3A. Does this partnership derive income from Rhode Island sources?..... Yes No
- 3B. Does the partnership have any partners who are nonresidents of Rhode Island?..... Yes No
(If the answers to questions 3a and 3b are "yes", complete schedule B)
If all questions are answered "no", it is not necessary to complete Schedule A or B below.

RI SCHEDULE A RI NET ADJUSTMENT

4. Net income exempt from federal income tax but taxable by Rhode Island law (attach explanation).....	4.	
5. Net income subject to federal income tax not taxable by Rhode Island (attach explanation).....	5.	
6. Net adjustment (combine lines 4 and 5).....	6.	

RI SCHEDULE B LIST OF PARTNERS

7. NAME AND ADDRESS	8. SOCIAL SECURITY NUMBER	9. CHECK IF NON RESIDENT	10. OWNERSHIP PERCENT-AGE	11. SHARE OF NET ADJUSTMENT (LINE 6 ABOVE)	12. SHARE OF RHODE ISLAND SOURCE INCOME
(a)					
(b)					
(c)					
(d)					
(e)					
(f)					
(g)					
(h)					
(attach a separate sheet if additional space is needed)				TOTAL	

Under penalties of perjury, I declare that I have examined this return, and to the best of my knowledge and belief, it is true, correct and complete.
 Signature of partner _____ Date _____

Sign Here ➡

May the division contact your preparer about this return? Yes No

Signature of preparer other than partner _____ SSN, PTIN or EIN _____ Telephone number _____

Sign Here ➡

2004 FORM RI-1065 PARTNERSHIP INCOME INFORMATION RETURN

GENERAL INSTRUCTIONS

WHO MUST FILE

Every partnership having any income derived from sources in Rhode Island must file a RI-1065 return for the taxable year. No tax is imposed on a partnership, but each partner is required to include in his or her Rhode Island individual income tax return his or her distributive share of the partnership net income for the partnership taxable year. The entire distributive share of the partnership net income is taxed to the partner whether or not such income is actually distributed.

PERIOD COVERED BY THE RETURN

The partnership taxable year shall be the same as the federal taxable year.

WHEN AND WHERE TO FILE

The return should be filed on or before the 15th day of the fourth month following the close of the part-

nership's taxable year. Mail your return to the Division of Taxation - One Capitol Hill - Providence, RI 02908-5806.

WHOLE DOLLAR AMOUNTS

The money items may be shown as whole dollar amounts. Any amount under 50 cents may be eliminated and any amounts 50 cents through 99 cents increased to the next highest dollar.

REPORT OF CHANGE IN FEDERAL TAXABLE INCOME

If the amount of the federal income is changed or corrected by the federal government, the partnership must report to the Rhode Island Division of Taxation such change or correction within 90 days after the final determination is made. Any partnership filing an amended income tax return must also file, within 90 days thereafter, an amended Rhode Island return.

TECHNICAL ASSISTANCE

If you have any questions regarding the preparation of the return, assistance may be obtained at the Division of Taxation - One Capitol Hill - Providence, RI 02908-5806.

SIGNATURE

A partner must sign the Rhode Island Partnership Form RI-1065. Any person who prepares a return must also sign. If the return is prepared by a firm or corporation it should be signed in the name of the firm or corporation.

WHERE TO GET FORMS

Form RI-1065 and instructions may be obtained from:

The website: <http://www.tax.ri.gov>
The Division of Taxation: (401) 222-1111

SPECIFIC INSTRUCTIONS

Print or type the required information in the address box at the top of Page 1. Enter the federal identification number in the space provided to the right of the address box--Rhode Island does not have its own identification number.

Line 1 - You should check the yes block and complete Schedules A and B if the partnership had income exempt from federal income tax but taxable by Rhode Island law. Such income would be income from obligations of states and their political subdivisions, other than Rhode Island. For example, interest from City of New York bonds, while exempt from federal taxation, is taxable by Rhode Island. However, interest from Rhode Island (or a political subdivision thereof) bonds is exempt from Rhode Island income tax, as well as federal.

Line 2 - You should check the yes block and complete Schedules A and B if the partnership had income exempt from the Rhode Island income tax, but taxable by federal law. Such income would consist of income from direct obligations of the United States Government. For example--Treasury notes and bills, Federal home loan bank, Federal land banks, etc.

Line 3a & Line 3b - If the partnership derives income from R.I. sources and has nonresident partners you should check the yes block(s) and complete Schedule B.

NOTE: If answers to all four questions in this part are no, it will not be necessary to complete Schedules A and B.

SCHEDULE A INSTRUCTIONS

Line 4 - Enter the net income exempt from federal income tax but taxable by Rhode Island law. (attach explanation). These may include:

- (1) Rhode Island fiduciary adjustment as beneficiary of an estate or trust under Section 44-30-17;
- (2) Income distributed to a resident beneficiary of a trust which was previously taxed to the grantor of the trust for federal income tax purposes but was not taxable as investment

income prior to the amendment of Section 44-28-7(d);

- (3) Interest on indebtedness incurred or continued to purchase or carry obligations or securities the income of which is exempt from Rhode Island personal income tax, to the extent such interest has been deducted in determining federal adjusted gross income or taxable income;
- (4) Family Education Accounts
- (5) Bonus depreciation that has been taken for federal purposes that must be added back to Rhode Island income. (See general instructions for more details).
- (6) Increased Section 179 depreciation that has been taken for federal purposes that must be added back to Rhode Island income. (See general instructions for more details).

Line 5 - Enter the net income subject to federal income tax but exempt by Rhode Island law. (attach explanation). These may include:

- (1) Rhode Island fiduciary adjustment as beneficiary of an estate or trust under Section 44-30-17;
- (2) Interest or dividend income on obligations or securities of any authority, commission or instrumentality of the United States to the extent included in gross income for federal income tax purposes but exempt from state income taxes under the laws of the United States;
- (3) Elective deduction for new research and development facilities. (attach form RI-1040RD);
- (4) Railroad Retirement benefits included in gross income for federal income tax purposes but exempt from state income taxes under the laws of the United States;
- (5) Qualifying investment in a certified venture capital partnership;
- (6) Family Education Accounts - Enter amount of modification decreasing federal AGI from RI-1040FEA;
- (7) Tuition Saving Program (section 529 accounts) - A modification decreasing federal adjusted gross income may be claimed for any contributions made to an account under the tuition savings program. The maximum modification shall not exceed \$500, \$1,000 if a joint return.

- (8) Exemptions from tax on profit or gain for writers, composers and artists residing within a section of the defined Economic Development Zone within the cities of Pawtucket & Providence and the Town of Westerly and creating artistic works while a resident of the Zone. Taxpayers claiming these modifications must submit a schedule showing the source and amount of income claimed to be exempt.
- (9) Depreciation that has not been taken for federal purposes because of the bonus depreciation that must be subtracted from Rhode Island income. (See general instructions for more details).
- (10) Depreciation that has not been taken for federal purposes because of the increased section 179 depreciation was not originally taken. (See general instructions for more details).

Line 6 - Enter the combined net amount of Lines 4 and 5. (Addition or deduction).

SCHEDULE B INSTRUCTIONS

Line 7 - Enter the names and addresses of all partners, both resident and nonresident.

Line 8 - Enter the social security number of each partner listed.

Line 9 - Check if the partner shown on the corresponding line is a nonresident.

Line 10 - Enter the partner's percentage of ownership.

Line 11 - Enter the partner's share of the net adjustment shown on Line 6, Schedule A.

Line 12 - Enter only the income from Rhode Island sources, and only for the nonresidents listed.

NOTE: If necessary, attach additional listings for Schedule B, being sure to give the same information as required on the return.