



Name (as shown on page 1)

EIN

**SCHEDULE C Apportionment Formula (Multistate Partnerships Only)**

**IMPORTANT:** Qualifying air carriers must use Arizona Schedule ACA. Qualifying multistate service providers must include Arizona Schedule MSP. See Form 165 instructions beginning on page 6.

**C1 Property Factor**

Value of real and tangible personal property (by averaging the value of owned property at the beginning and end of the tax period; rented property at capitalized value).

**a** Owned property (at original cost):

Inventories.....

Depreciable assets: (do not include construction in progress)....

Land .....

Other assets (describe): \_\_\_\_\_

Less: Nonbusiness property (if included in above totals).....

Total of section a .....

**b** Rented property (capitalize at 8 times net rental paid).....

**c** Total owned and rented property (section a total plus section b) .

**d** Weight AZ property: (STANDARD uses x 1; ENHANCED uses x 7.5)

**e** Property factor (for column A, multiply line c by line d; for column B, enter amount from line c) .....

**C2 Payroll Factor**

**a** Total wages, salaries, commissions and other compensation paid to employees (per federal Form 1065 or payroll reports)....

**b** Weight AZ payroll: (STANDARD uses x 1; ENHANCED uses x 7.5) ...

**c** Payroll factor (for column A, multiply line a by line b; for column B, enter amount from line a).....

**C3 Sales Factor**

**a** Sales delivered or shipped to Arizona purchasers .....

**b** Sales of services for qualifying multistate service providers only (include Schedule MSP) .....

**c** Other gross receipts .....

**d** Total sales and other gross receipts.....

**e** Weight AZ sales: (STANDARD uses x 2; ENHANCED uses x 85) .....

**f** Sales factor (for column A, multiply line d by line e; for column B, enter the amount from line d).....

**C4 Total Ratio:** Add lines C1e, C2c, and C3f, in column C .....

**C5 Average Apportionment Ratio:** Divide line C4, column C, by the denominator (STANDARD divides by four (4); ENHANCED divides by one hundred (100)). Enter the result in column C. Also enter this amount on

Arizona Form 165, Schedule K-1(NR), Part I, column (b).....

Table with 3 columns: COLUMN A Total Within Arizona, COLUMN B Total Everywhere, and COLUMN C Ratio Within Arizona. Rows correspond to sections C1, C2, C3, C4, and C5.

**SCHEDULE D Business Information**

Describe briefly the nature and location(s) of the partnership's Arizona business activities:

Describe briefly the nature and location(s) of the partnership's business activities outside of Arizona:

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**SCHEDULE E Partner Information**

Prepare a schedule that lists each partner's name, address, taxpayer identification number, and pro rata share of the amount shown on line 5. Label the listing as "Schedule E: Partner Information" and include the schedule immediately after page 3 of Form 165.

<b>Declaration</b>	I, the undersigned partner of the partnership for which this return is made, declare under penalty of perjury, that this return, including the accompanying schedules and statements, has been examined by me and is to the best of my knowledge and belief, a correct and complete return, made in good faith, for the taxable year stated pursuant to the income tax laws of the State of Arizona.		
<b>Please Sign Here</b>	_____ PARTNER'S SIGNATURE	_____ DATE	_____ TITLE
<b>Paid Preparer's Use Only</b>	_____ PAID PREPARER'S SIGNATURE	_____ DATE	_____ PAID PREPARER'S PTIN
	_____ FIRM'S NAME (OR PAID PREPARER'S NAME, IF SELF-EMPLOYED)		_____ FIRM'S <input type="checkbox"/> EIN OR <input type="checkbox"/> SSN
	_____ FIRM'S STREET ADDRESS		_____ FIRM'S TELEPHONE NUMBER
	_____ CITY	_____ STATE	_____ ZIP CODE

*Include federal Form 1065, federal Schedules K-1 (Form 1065), and all supporting schedules with this return.*  
**Mail to: Arizona Department of Revenue, PO Box 52153, Phoenix, AZ 85072-2153**