

Resident or Part-Year Resident Beneficiary's Share of Income

Arizona Schedule 141 K-1

Instructions to Fiduciary

Complete a Form 141 Schedule K-1 for each resident or part-year resident beneficiary.

File one copy of each Schedule K-1 with the fiduciary's Form 141.

Provide all beneficiaries with a copy of their Schedule K-1. Keep a copy for your records.

Beneficiary's Share of Income

Line 1 –

Enter the total distributable income of the estate or trust from Arizona Form 141, line 11d.

Line 2 –

Enter the percentage of the beneficiary's interest.

Line 3 –

Multiply line 1 by the percentage on line 2. This is the beneficiary's share of the income from the estate or trust.

Instructions to Beneficiary

The fiduciary uses Form 141 Schedule K-1 to report to you your share of the income from the trust or estate.

Do not file this Schedule K-1 with your return. Keep this Schedule K-1 with your records. The fiduciary filed a copy of this form with the department.

Resident Beneficiary

Line 3 shows your share of the income from the estate or trust. You must report this amount as an addition to income on your Arizona return. If you are an individual, report this amount on your Arizona Form 140, line B11. When you make this addition, you must also subtract the amount of income from the federal Form 1041 Schedule K-1 that you included in your Arizona gross income. If you are an individual, make this subtraction on your Arizona Form 140, line C27.

Part-Year Resident Beneficiary

If you are a part-year resident individual report estate or trust income received while you were an Arizona resident. Also report estate or trust income received from Arizona sources while you were a nonresident. Report this income on Arizona Form 140PY, line B14 (ARIZONA column). The amount that you should report on your Arizona Form 140PY on line B14 (FEDERAL column) is the amount from your federal income tax return.