

For the calendar year 2015 or fiscal year beginning [M,M|D,D|2,0,1,5] and ending [M,M|D,D|Y,Y,Y,Y].

Name of Estate or Trust	Estate or Trust Employer Identification Number (EIN)
Beneficiary's Name	Fiduciary's Name
Beneficiary's I.D. Number	Fiduciary's Address - number and street, or rural route
Beneficiary's Address - number and street, or rural route	Fiduciary's City, Town or Post Office      State      ZIP Code
Beneficiary's City, Town or Post Office      State      ZIP Code	Fiduciary's Phone Number – include area code
Beneficiary's Daytime Phone Number – include area code	

**Part 1 Beneficiary's Share of Fiduciary Adjustment**

1 Net fiduciary adjustment to be allocated: Enter the amount from Form 141AZ, Schedule C, line C14.....	1		00
2 Percent of beneficiary's share of federal distributable income from Form 141AZ, Schedule C .....	2		%
3 Multiply the amount on line 1 by the percent on line 2, and enter the result .....	3		00

**Full-year Resident Individual Beneficiaries:**

- If the amount on line 3 is a positive number, enter this amount as an *Other Addition* to income on AZ Form 140, page 1, line 16.
- If the amount on line 3 is a negative number, enter this amount as an *Other Subtraction* from income on AZ Form 140, page 1, line 35.

**Part-year Resident Individual Beneficiaries:**

- If the amount on line 3 is a positive number, enter that portion of line 3 allocable to estate or trust income taxable by Arizona as an *Other Addition* to income on AZ Form 140PY, page 1, line 30.
- If the amount on line 3 is a negative number, enter that portion of line 3 allocable to estate or trust income taxable by Arizona as an *Other Subtraction* from income on AZ Form 140PY, page 2, line 46.

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Name of Estate or Trust (as shown on page 1)	Employer Identification Number
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**Part 2 Net Long-Term Capital Gain Subtraction – Information Schedule**

INSTRUCTIONS FOR THE FIDUCIARY:

Arizona allows a subtraction from Arizona gross income for a percentage of any net long-term capital gain from assets acquired **after** December 31, 2011 and included in the individual’s federal adjusted gross income or the estate’s or trust’s federal taxable income.

- If the **individual** beneficiary’s federal Schedule K-1 (Form 1041) includes an amount for any net capital gain or (loss), complete line 4, column (b) and line 5, columns (b) through (d).
- If this is the final return for the estate or trust and a capital loss carryover amount was distributed to the beneficiary, complete line 6, column (b) and line 7, columns (b) through (d).

(a) Item	(b) Amount reported on federal Schedule K-1	(c) Net <b>long-term</b> capital gain or (loss) included in column (b) from assets acquired <b>before</b> January 1, 2012	(d) Net <b>long-term</b> capital gain or (loss) included in column (b) from assets acquired <b>after</b> December 31, 2011
<b>4</b> Total net short-term capital gain or (loss) from Form 141AZ, page 1, line 15b distributed to the beneficiary..... <b>4</b>			
<b>5</b> Total net long-term capital gain or (loss) from Form 141AZ, page 1, line 15c distributed to the beneficiary..... <b>5</b>			
<b>6</b> Short-term capital loss carryover(s) distributed to the beneficiary upon termination of the estate or trust..... <b>6</b>			
<b>7</b> Long-term capital loss carryover(s) distributed to the beneficiary upon termination of the estate or trust..... <b>7</b>			

INSTRUCTIONS FOR THE INDIVIDUAL BENEFICIARY:

The beneficiary should complete the worksheet, *Worksheet for Net Long-Term Capital Gain Subtraction for Assets Acquired After December 31, 2011*, to determine the allowable subtraction. The worksheet is included in the instructions for the resident and part-year resident income tax returns (AZ Forms 140 and 140PY).

**Full-year residents** use the amount on line 5, column (d) to figure the allowable subtraction on the worksheet included with AZ Form 140.

**Part-year residents** use only that portion of the amount on line 5, column (d) that is included in your Arizona gross income to figure the allowable subtraction on the worksheet that is included with AZ Form 140PY.

INSTRUCTIONS FOR THE FIDUCIARY BENEFICIARY:

If the net long-term capital gain (loss) on line 5, above, is taxed at the estate or trust level, use the information above to complete the *Worksheet for Net Long-Term Capital Gain Subtraction for Assets Acquired After December 31, 2011*, included in the instructions of Form 141AZ for the estate or trust.

If the net long-term capital gain (loss) on Part 2, line 5, above, is distributed to the beneficiary, use the information above to complete the *Worksheet for Net Long-Term Capital Gain Subtraction for Assets Acquired After December 31, 2011*, included in the instructions of Form 141AZ. The worksheet will assist the estate or trust in completing the *Net Long-Term Capital Gain Subtraction – Information Schedule* on Arizona Form 141AZ, Schedule K-1 or Schedule K-1(NR), for each beneficiary.

# 2015 Resident or Part-Year Resident Beneficiary's Share of Fiduciary Adjustment

# Arizona Schedule 141AZ K-1

## For information or help, call one of the numbers listed:

Phoenix (602) 255-3381  
From area codes 520 and 928, toll-free (800) 352-4090

## Tax forms, instructions, and other tax information

If you need tax forms, instructions, and other tax information, go to the department's website at [www.azdor.gov](http://www.azdor.gov).

## Income Tax Procedures and Rulings

These instructions may refer to the department's income tax procedures and rulings for more information. To view or print these, go to our website and click on *Legal Research* then click on *Procedures* or *Rulings* and select a tax type from the drop down menu.

## Publications and Brochures

To view or print the department's publications and brochures, go to our website and click on *Publications*.

## General Instructions for Fiduciary

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

### File one copy of each Schedule K-1 with Form 141AZ.

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

### Foreign Addresses

If a beneficiary or the fiduciary has a foreign address, enter the information in the following order: city, province or state, and country. Follow the country's practice for entering the postal code. Do not abbreviate the country's name.

## Line-by-Line Instructions

### Part 1 - Beneficiary's Share of Fiduciary Adjustment

#### Instructions for Fiduciary

##### Line 1 -

Enter the net fiduciary adjustment to be allocated to beneficiaries from Form 141AZ, Schedule C, line C14. If this is a negative amount, enter the amount in brackets.

##### Line 2 -

Enter the percentage of the beneficiary's share of federal distributable net income from Form 141AZ, Schedule C.

##### Line 3 -

Multiply line 1 by the percentage on line 2. Enter the result. If the result is a negative number, enter the number in brackets. This is the beneficiary's share of the fiduciary adjustment.

#### Instructions for Beneficiary

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

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 fiduciary adjustment from the estate or trust. If the amount on line 3 is a positive number, you must report this amount as an *addition to income* on your Arizona return. If you are an individual, report this amount as an *Other Addition* to income on your Arizona Form 140, line 16.

If the amount on line 3 is a negative number, you must report this amount as a *subtraction from income* on your Arizona return. If you are an individual, report this amount as an *Other Subtraction* from income on your Arizona Form 140, line 35.

### 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 AZ Form 140PY, page 1, line 22 (ARIZONA column). The amount that you should report on your AZ Form 140PY, line 22 (FEDERAL column) is the amount from your federal income tax return.

If the amount on line 3 is a positive number, enter that portion of line 3 that is allocable to estate or trust income taxable by Arizona on Arizona Form 140PY, line 30.

If the amount on line 3 is a negative number, enter that portion of line 3 that is allocable to estate or trust income taxable by Arizona on Arizona Form 140PY, line 46.

### Part 2 - Net Long-Term Capital Gain Subtraction (Information Schedule)

Arizona allows a subtraction from Arizona gross income for a percentage of any net long-term capital gain from assets acquired after December 31, 2011, and included in the individual taxpayer's federal adjusted gross income or the estate's or trust's federal taxable income.

#### Instructions for Fiduciary

##### Lines 4 through 7 -

If the **individual** beneficiary's federal Schedule K-1 (Form 1041) includes an amount for any net capital gain or (loss), complete lines 4 through 7 as instructed on page 2 of Form 141AZ, Schedule K-1.

#### Instructions for Beneficiaries

Follow the instructions on page 2 of Form 141AZ, Schedule K-1.