

For the calendar year 2023 or fiscal year beginning MM,DD,2023 and ending MM,DD,20YY.

CHECK ONE: Original Amended

Shareholder's Tax Identification Number	S Corporation's Employer Identification Number (EIN)
Shareholder's Name	S Corporation's Name
Shareholder's Address – number and street or rural route	S Corporation's Address – number and street or rural route
Shareholder's City, Town or Post Office State ZIP Code	S Corporation's City, Town or Post Office State ZIP Code
Shareholder's percentage of stock ownership for the taxable year: _____ %	

Pass-Through Entity Election:

A. Did the S Corporation make the Pass-Through Entity (PTE) Election? Yes No

B. If the S Corporation made the the Pass-Through Election, did this Shareholder consent to that election? Yes No

If "Yes" the S Corporation must provide a completed Form 120S Schedule K-1 to this resident or part-year resident shareholder

Part 1 Net Capital Gain (Loss) From Investment in a Qualified Small Business – Information Schedule

If the shareholder's federal Schedule K-1 (Form 1120-S) does not include any net capital gain (loss) from investment in a qualified small business as determined by the Arizona Commerce Authority, the S Corporation is not required to complete Part 1.

Pro Rata Share Items	Distributive Share Amount
1 Net capital gain (loss) from investment in a qualified small business..... 1	

Part 2 Net Capital Gain (Loss) From the Exchange of Legal Tender – Information Schedule

If the shareholder's federal Schedule K-1 (Form 1120-S) does not include any net capital gain (loss) from the exchange of legal tender, the S Corporation is not required to complete Part 2.

Pro Rata Share Items	Distributive Share Amount
2 Net capital gain (loss) from the exchange of legal tender..... 2	

Part 3 Net Long-Term Capital Gain (Loss) Subtraction – Information Schedule

If the shareholder's federal Schedule K-1 (Form 1120-S) includes net long-term capital gain (loss), complete lines 3 through line 5 (if applicable). If the shareholder's federal Schedule K-1 (Form 1120-S) does not include any net long-term capital gain (loss), the S Corporation is not required to complete Part 3.

Pro Rata Share Items From federal Form 1120-S, Schedule K-1	(a) Distributive Share Amount	(b) Net long-term capital gain (loss) included in column (a) from assets acquired before January 1, 2012	(c) Net long-term capital gain (loss) included in column (a) from assets acquired after December 31, 2011
3 Net long-term capital gain (loss)..... 3			

ADDITIONAL INFORMATION:

4 Net long-term capital gain (loss) from investment in a qualified small business (amount already included in line 3, column (c))..... 4			
5 Net long-term capital gain (loss) from the exchange of legal tender (amount already included in line 3, column (c))..... 5			

Part 4 Marijuana Establishments Only - Information Schedule

Shareholder's Pro Rata Share Disallowed Federal Expenses	Shareholder's Distributive Share
6 Enter the S Corporation's disallowed federal expenses from line 16 of Schedule DFE..... 6	
Multiply the amount on line 6 by the shareholder's ownership percentage shown on page 1. Enter the result. This	
7 is the shareholder's portion of the Disallowed Federal Expenses. 7	

SHAREHOLDER:

The amount reported on line 7 is your share of the S Corporation's disallowed federal expenses.

Enter this amount on your Arizona income tax return.

- If you **did not make the Small Business Income election** and are filing Arizona Form 140, enter this amount on page 6, line Q.
- If you **did not make the Small Business Income election** and are filing Arizona Form 140PY, enter this amount on page 6, line V.
- If you **made the Small Business Income election** and are filing Arizona Form 140-SBI, enter this amount on line 47.
- If you **made the Small Business Income election** and are filing Arizona Form 140PY-SBI, enter this amount on line 44.

Part 5 Shareholder's Portion of the S Corporation's Pass-Through Entity Tax Credit

If the shareholder consented to the S Corporation's election to be a Pass-Through Entity (PTE), complete Part 5. Otherwise, leave blank.

Shareholder's Pro Rata Share of PTE Election	Shareholder's Distributive Share
8 Shareholder's pro-rata share of the PTE Tax Credit. • Individuals, enter this amount on Form 355, Part 1, line 2. • Estates and trusts, see the instructions for Form 141AZ, line 19 to claim this credit..... 8	
9 Shareholder's pro-rata share of the Arizona PTE Taxes paid in 2023 for taxable year 2022. • Individuals that did not make the Small Business Income election , add this amount back on Form 140, page 5, line P, or Form 140PY, page 5, line O. • Individuals that made the Small Business Income election , add this amount back on Form 140-SBI, line 25, or Form 140PY-SBI, line 25. • Estates and trusts, add this amount back on Form 141AZ, Schedule B, line B3..... 9	
10 Shareholder's pro-rata share of the Arizona PTE Taxes paid in 2023 for taxable year 2023. • Individuals that did not make the Small Business Income election , add this amount back on Form 140, page 5, line P, or Form 140PY, page 5, line O. • Individuals that made the Small Business Income election , add this amount back on Form 140-SBI, line 25, or Form 140PY-SBI, line 25. • Estates and trusts, add this amount back on Form 141AZ, Schedule B, line B3..... 10	
11 Shareholder's pro-rata share of comparable PTE Taxes from other states paid in 2023 for taxable year 2022. • Individuals that did not make the Small Business Income election , add this amount back on Form 140, page 5, line P, or Form 140PY, page 5, line O. • Individuals that made the Small Business Income election , add this amount back on Form 140-SBI, line 25, or Form 140PY-SBI, line 25. • Estates and trusts, add this amount back on Form 141AZ, Schedule B, line B3..... 11	
12 Shareholder's pro-rata share of comparable PTE Taxes from other states paid in 2023 for taxable year 2023. • Individuals that did not make the Small Business Income election , add this amount back on Form 140, page 5, line P, or Form 140PY, page 5, line O. • Individuals that made the Small Business Income election , add this amount back on Form 140-SBI, line 25, or Form 140PY-SBI, line 25. • Estates and trusts, add this amount back on Form 141AZ, Schedule B, line B3..... 12	