Publication 4505

Modernized e-File Test Package for Forms 1065/1065-B For Tax Year 2006

U.S. Return of Partnership Income

U.S. Return of Income for Electing Large Partnerships

And

Form 7004, Application for Automatic 6-Month Extension of Time to File Certain Business Income Tax, Information, and Other Returns

(Revision 1 - 10/13/2006)

Internal Revenue Service Electronic Tax Administration

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1065/1065-B ASSURANCE TESTING TAX YEAR 2006 (INCLUDING 7004)

WHO MUST TEST?

All software developers are required to perform the tests in this Test Package before they can be accepted into the electronic filing program for the 2007 (Tax Year 2006) filing season. Anyone who plans to transmit must perform a communications test and be accepted. Prior to testing, all software developers and transmitters must have obtained an Electronic Transmitter Identification Number (ETIN), Electronic Filer Identification Number (EFIN) and password through the application process. Refer to Publication 3112, IRS e-file Application Package for Form 8633 procedures. For the On-Line application procedures refer to the http://www.irs.gov/taxpros/article/0,,id=109646,00.html URL. This ETIN must be included in each message. The ETIN will be set to "Test" until the transmitter passes the required communication testing with the IRS at which time the ETIN will be moved to "Production" status. The transmitter may also request a Test ETIN, which can be used to continue testing once the original ETIN has been moved to Production status. If a transmitter has not revised their IRS e-file application to indicate they will be transmitting 1065 returns, their ETIN will not be valid and their submissions will be rejected. The transmission status (Test or Production) of the ETIN being used must match the Test/Production Indicator in the Message Header or the message will be rejected.

The transmitter must also register the system(s) that will be used to conduct business with MeF to obtain a systemID. If a transmitter and system(s) are not registered, the transmitter cannot access MeF for Fed/State processing.

WHY TEST?

The purpose of testing prior to live processing is to ensure that:

- 1. Filers transmit in the correct format and meet the Internal Revenue Service (IRS) Modernized e-File (MeF) electronic filing specifications;
- 2. Returns have few validation or math errors;
- 3. IRS can receive and process the electronic returns;
- 4. Filers understand and are familiar with the mechanics of electronic filing.

WHAT IS TESTED?

The test package for the 2006 Assurance Testing System (ATS) consists of eight (8) return scenarios for Forms 1065/1065-B and five (5) for Form 7004. The test returns include a limited number of forms and schedules that are accepted for electronic filing. Every conceivable condition cannot be represented in the Test; therefore, once you pass the tests, you may want to test any additional conditions you feel are appropriate as long as you use the predefined EINs and Name Controls, Tax Period and Form types as outlined in Exhibits 4 and 5.

The scenarios provide the information needed to prepare the selected forms and

schedules. You must correctly prepare and compute these returns before transmitting the tests. The IRS strongly recommends each return be run against a parser prior to being transmitted to the IRS. The IRS will run each return against a parser.

Also included are five (5) test scenarios for the Form 7004, Application for Automatic 6-Month Extension of Time to File Certain Business Income Tax, Information, and Other Returns that need to be completed and submitted for approval. We have included additional EINs to accommodate all other form types listed on the 7004 for which an extension can be filed for. You may use these EINs for testing if you want to test the other form types.

Below are some XML resources regarding XML schemas and software tools and parsers (these resources are provided for information only—the IRS is not endorsing any product). You may chose any third party parser toolkit or use your own.

- W3C XML Home Page: http://www.w3.org/XML/
- W3C XML Schema Home Page: http://www.w3.org/XML/Schema
- XML Spy: http://www.xmlspy.com/
- Apache Xerces parser toolkit: http://xml.apache.org/
- Microsoft Core XML Services: Microsoft Core XML Services: http://www.microsoft.com/downloads/details.aspx?FamilyID=3144b72bb4f2-46da-b4b6-c5d7485f2b42&DisplayLang=en

FORMATTING THE ENTITIES

The business entities presented in the test scenarios are shown in common usage with commas and periods. Refer to XML efile Types for proper formatting for the business name lines and addresses. No commas or periods are allowed. Example:

Test Scenario

Help For All, Inc. 31 Any Street Anytown, MD 20901

XML Format

Help For All Inc (BusinessNameLine1Type) 31 Any St (StreetAddressType) Anytown (CityType) MD (StateType) 20901 (ZipCodeType)

POPULATING DATA IN THE TEST CASES

We are not providing the forms in the tests in PDF format. Fields where we are indicating no entry are shaded. Do not enter zeroes in the fields where you have no entries unless the form or instructions specifically instruct you to do so.

PASSWORDS

New or revised applicants who will be transmitting to the IRS will receive an eight-digit alphanumeric password that will be used for testing and production. This password will be mailed to the applicants with instructions on how to acknowledge receipt in order to activate. You will change your password then you log in for the first time after your password has been received. It will be valid at the beginning of ATS, which will begin November 6, 2006. If testing will be done through the Internet, applicants will choose their passwords during On-Line Registration.

WHEN TO TEST

When you are ready to test call the e-Help Desk at **1-866-255-0654**. They will assist you in all preparations necessary to begin testing that includes assigning you a Software ID to use when submitting your returns.

TESTING GUIDELINES FOR SOFTWARE DEVELOPERS

Software does not have to provide for all forms or schedules, nor for all occurrences of a particular form or schedule. You must advise the e-Help Desk at **1-866-255-0654** of all limitations to your Software package at the time of first contact, before testing begins. You must test the complete form with no field limitations except for the number of occurrences.

FEDERAL/STATE TESTING FOR FORMS 1065/1065-B

For Tax year 2006, we will not implement States ATS; however, the full ATS for both transmitters and states will be available on November 6, 2006. Any of the test returns may be used if you will be participating in the Federal/State electronic filing program for 1065/1065-B. Inform the e-Help Desk of which test you will be using. You should add the appropriate information in the generic state record and transmit the return as part of your regular transmission. Specific instructions are available from the participating states. Fed/State returns may be transmitted through Application to Application or Internet Filing Application (IFA).

ELECTRONIC SIGNATURES

Tax Professionals who file 1065/1065-B have two options of filing a totally paperless return for their clients using the Practitioner PIN method or the Scanned Form 8453 method (Form 8453-PE for Form 1065 and Form 8453-B for Form 1065-B). The selected signature option must be identified in the Return Header. Tax Professionals who file 7004 have one option of filing using the Practitioner PIN method. MeF validates that a signature is present for each return. If the taxpayer uses a PIN to sign the return, all appropriate PIN information must be present in the return header. If the taxpayer elects to sign a Form 8453x, the scanned 8453x must be attached to the return. If the electronic

return does not contain the required signatures, it will be rejected.

• Practitioner PIN

The Practitioner PIN option can only be used if the taxpayer uses an ERO. It cannot be used if a taxpayer is filing through an On-Line Provider. If the signature option of "PIN Number" is chosen, the taxpayer and ERO will be required to sign the return with a personal identification number (PIN). The Practitioner PIN option consists of two PINs – one for the taxpayer and one for the Practitioner.

- Taxpayer PIN The taxpayer chooses the PIN that they wish to use to sign their return. The Taxpayer's PIN must be 5 numeric characters and cannot contain all zeros.
- Practitioner PIN The ERO selects an eleven position PIN to sign the return. The first 6 positions of the Practitioner PIN will be made up of the EFIN of the ERO and the next 5 positions will be made up of 5 numeric characters that the ERO will select.

The taxpayer must decide whether they want to enter their own PIN or whether they authorize the ERO to enter the PIN they choose as their signature. This authorization is made on Form 8879-PE or 8879-B.

The following fields are required for the Practitioner PIN method or the return will be rejected.

- Practitioner PIN
- PIN Entered By Indicator
- Name of Officer
- Title of Officer
- Taxpayer PIN
- Date Signed

Scanned Form 8453

The scanned Form 8453 method must be used if the taxpayer decides not to use the Practitioner PIN method for signing the return. The Form 8453-PE or 8453-B will be completed and signed by all required parties and then scanned as a PDF file. The appropriate signature option of "Binary Attachment 8453 Signature Document" must be identified in the Return Header. If this option is chosen, the taxpayer and ERO (if applicable) must sign the paper 8453. The signed Form 8453-PE/8453-B must then be scanned into a PDF document and inserted into the electronic return as a binary attachment. The binary attachment must be named "8453 Signature Document".

REVIEWING ACK FILES AND CORRECTING TESTS

You may transmit as many test returns as necessary until you receive no error messages. Any Business Rules violations must be corrected in order to pass ATS testing.

FINAL TRANSMISSION

Once you receive no rejects, you will be required to transmit the returns in two separate, same-day transmissions in order to test the ability of your software to increment the transmission ID number that appears in the Transmission Header. Tests 1-4 should be in the first transmission and Tests 5-8 in the second transmission. If you have included the 7004 test scenarios in your testing, include these tests in the second transmission.

COMMUNICATIONS TEST FOR THE *e-file* SYSTEM

IRS allows three means of transmission for MeF, Electronic Management system (EMS), Internet Filing Application (IFA), and Application to Application (A2A). If you are a Transmitter and will be transmitting using the Electronic Management System (EMS), you must pass the communications test with software using the asynchronous (ASC) protocol. The EMS site for communications testing is the Tennessee Computing Center (TCC). If you are a Transmitter using accepted software, you must complete an error-free communications test by transmitting five returns in two same-day transmissions (three returns in one transmission and two in the other) to TCC. Transmitters who have passed the communications test and want to continue to test, must request a test ETIN.

If you will be transmitting through the Internet, you will need to perform the communications test through the Internet.

If you will be transmitting through A2A, you will need to perform the communications test through A2A. If you will be transmitting through all portals, EMS, Internet and A2A, communications tests must be performed through all systems.

A Software Developer, who will not transmit, need not perform a communications test.

USING YOUR OWN TEST

If you are a Software Developer, when you have been notified that you have passed the ATS test, you may test with your own data using the same password and ETIN. If you are a Transmitter you will need to get a new Test ETIN to continue testing, as your original ETIN will have been moved to "production" status once you have passed the Communications Test. You will continue to use the same password. Call the e-Help Desk at **1-866-255-0654** using the Andover Service Center prompt to obtain a new Test ETIN. You must use the same taxpayer entity information (names and EINs) that is provided in the test package for your independent tests. DO NOT use any other EINs. See Exhibit 3 for the list of valid EINs and Name Controls.

EXHIBITS

The following exhibits are provided at the end of this document:

Exhibit 1 - Standard Postal Service State Abbreviations and Zip Codes

Exhibit 2 – Foreign Country Codes

Exhibit 3 – List of valid EINs and Name Controls

Exhibit 4 – Tax Year 2006 1065/1065-B Test Scenarios

Exhibit 5 – Entities for 7004 Test Scenarios

EXHIBIT 1 VALID ZIP CODES

STANDARD POSTAL SERVICE STATE ABBREVIATIONS AND ZIP CODES

State	Abbr.	ZIP Code
Alabama	AL	350nn-369nn
Alaska	AK	995nn-999nn
Arizona	AZ	850nn-865nn
Arkansas	AR	716nn-729nn, 75502
California	CA	900nn-908nn, 910nn-961nn
Colorado	CO	800nn-816nn
Connecticut	СТ	060nn-069nn
Delaware	DE	197nn-199nn
District of Columbia	DC	200nn-205nn
Florida	FL	320nn-339nn, 341nn, 342nn,
		344nn, 346nn, 347nn, 349nn
Georgia	GA	300nn-319nn, 39815, 39834, 399nn
Hawaii	HI	967nn, 968nn
Idaho	ID	832nn-838nn
Illinois	IL	600nn-629nn
Indiana	IN	460nn-479nn
lowa	IA	500nn-528nn
Kansas	KS	660nn-679nn
Kentucky	KY	400nn-427nn, 45275
Louisiana	LA	700nn-714nn, 71749
Maine	ME	03801, 039nn-049nn
Maryland	MD	20331, 206nn-219nn
Massachusetts	MA	010nn-027nn, 055nn
Michigan	MI	480nn-499nn
Minnesota	MN	550nn-567nn
Mississippi	MS	386nn-397nn
Missouri	MO	630nn-658nn
Montana	MT	590nn-599nn
Nebraska	NE	680nn-693nn
Nevada	NV	889nn-898nn
New Hampshire	NH	030nn-038nn
New Jersey	NJ	070nn-089nn
New Mexico	NM	870nn-884nn
New York	NY	004nn, 005nn, 06390, 100nn-149nn
North Carolina	NC	270nn-289nn
North Dakota	ND	580nn-588nn
Ohio	OH	430nn-459nn
Oklahoma	OK	730nn-732nn, 734nn-749nn

EXHIBIT1 - Valid ZIP Codes Continued

State Abbr. ZIP Code				
Oregon	OR	970nn-979nn		
Pennsylvania	PA	150nn-196nn		
Rhode Island	RI	028nn, 029nn		
South Carolina	SC	290nn-299nn		
South Dakota	SD	570nn-577nn		
Tennessee	TN	370nn-385nn		
Texas	TX	733nn, 73949, 750nn-799nn		
Utah	UT	840nn-847nn		
Vermont	VT	050nn-054nn, 056nn-059nn		
Virginia	VA	20041,201nn, 20301,20370,		
		220nn-246nn		
Washington	WA	980nn-986nn, 988nn-994nn		
West Virginia	WV	247nn-268nn		
Wisconsin	WI	49936, 530nn-549nn		
Wyoming	WY	820nn-831nn		

STANDARD POSTAL SERVICE STATE ABBREVIATIONS AND ZIP CODES FOR U.S.POSSESSIONS

U.S. Possession	Abbr.	ZIP Code
American Samoa	AS	967nn
Federated States of Micronesia	FM	969nn
Guam	GU	9691n, 9692n
Marshall Islands	MH	969nn
Commonwealth of the Northern Mariana Islands	MP	9695n
Palau	PW	969nn
Puerto Rico	PR	006nn, 007nn, 009nn
U.S. Virgin Islands	VI	008nn

Form 1065 and 1065-B returns with addresses in the American Possessions are considered to have domestic addresses for processing purposes. The partnership return filer address (1065/1065-B) must contain a state abbreviation to be treated as (and processed in Philadelphia) an American Possession.

APO/FPO CITY/STATE/ZIP CODES FOR MILITARY OVERSEAS ADDRESSES

City	State	ZIP Code
APO or FPO	AA	340nn
APO or FPO	AE	090nn-098nn
APO or FPO	AP	962nn-966nn

EXHIBIT 2 FOREIGN COUNTRY CODES

Code	Foreign Country	Code	Foreign Country
AF	Afghanistan	BM	Burma
AL	Albania	BY	Burundi
AG	Algeria	CB	Cambodia
AQ	American Samoa	СМ	Cameroon
AN	Andorra	CA	Canada
AO	Angola	CV	Cape Verde
AV	Anguilla	CJ	Cayman Islands
AY	Antarctica	СТ	Central African Republic
AC	Antigua & Barbuda	CD	Chad
AR	Argentina	CI	Chile
AM	Armenia	СН	China
AA	Aruba	KT	Christmas Island
AT	Ashmore & Cartier Islands	IP	Clipperton Island
AS	Australia	CK	Cocos (Keeling) Islands
AU	Austria	CO	Colombia
AJ	Azerbaijan	CN	Comoros
BF	Bahamas	CF	Congo, Republic of the (Brazzaville)
BA	Bahrain	CG	Congo, Democratic Rep of the (Zaire)
FQ	Baker Islands	CW	Cook Islands
BG	Bangladesh	CR	Coral Sea Islands
BB	Barbados	VP	Corsica
BS	Bassas da India	CS	Costa Rica
BO	Belarus	IV	Cote D'Ivoire (Ivory Coast)
BE	Belgium	HR	Croatia
BH	Belize	CU	Cuba
BN	Benin	CY	Cyprus
BD	Bermuda	EZ	Czech Republic
BT	Bhutan	DA	Denmark
BL	Bolivia	DJ	Djibouti
BK	Bosnia-Herzegovina	DO	Dominica
BC	Botswana	DR	Dominican Republic
BV	Bouvet Island	TT	East Timor
BR	Brazil	EC	Ecuador
IO	British Indian Ocean Territory	EG	Egypt
VI	British Virgin Islands	ES	El Salvador
BX	Brunei	EK	Equatorial Guinea

BU	Bulgaria	ER	Eritrea
UV	Burkina Faso	EN	Estonia
ET	Ethiopia	IR	Iran
EU	Europe Island Territory	IZ	Iraq
FK	Falkland Islands (Islas Malvinas)	EI	Ireland
FO	Faroe Islands	IS	Israel
FM	Federated States of Micronesia	IT	Italy
FJ	Fiji	JM	Jamaica
FI	Finland	JN	JanMayen
FR	France	JA	Japan
FG	French Guinea	DQ	Jarvis Island
FP	French Polynesia	JE	Jersey
FS	French Southern & Antartic Lands	JQ	Johnston Atoll
GB	Gabon	JO	Jordan
GA	The Gambia	JU	Juan de Nova Island
GZ	Gaza Strip	KZ	Kazakhstan
GG	Georgia	KE	Kenya
GM	Germany	KQ	Kingman Reef
GH	Ghana	KR	Kiribati
GI	Gibraltar	KN	Korea, Democratic People's Republic of (North)
GO	Glorioso Islands	KS	Korea, Republic of (South)
GR	Greece	KU	Kuwait
GL	Greenland	KG	Kyrgyzstan
GJ	Grenada	LA	Laos
GP	Guadeloupe	LG	Latvia
GQ	Guam	LE	Lebanon
GT	Guatemala	LT	Lesotho
GK	Guernsey	LI	Liberia
GV	Guinea	LY	Libya
PU	Guinea-Bissau	LS	Liechtenstein
GY	Guyana	LH	Lithuania
HA	Haiti	LU	Luxembourg
НМ	Heard Island & McDonald Islands	MC	Macau
HO	Honduras	MK	Macedonia
ΗK	Hong Kong	MA	Madagascar
HQ	Howland Island	MI	Malawi
HU	Hungary	MY	Malaysia
IC	Iceland	MV	Maldives
IN	India	ML	Mali

ID	Indonesia	MT	Malta
IM	Man, Isle of	PP	Papua-New Guinea
RM	Marshall Islands	PF	Paracel Islands
MB	Martinique	PA	Paraguay
MR	Mauritania	PE	Peru
MP	Mauritius	RP	Philippines
MF	Mayotte	PC	Pitcairn Islands
MX	Mexico	PL	Poland
MQ	Midway Islands	PO	Portugal
MD	Moldova	RQ	Puerto Rico
MN	Monaco	QA	Qatar
MG	Mongolia	RE	Reunion
MH	Montserrat	RO	Romania
MO	Morocco	RS	Russia
MZ	Mozambique	RW	Rwanda
WA	Namibia	WS	Samoa (Western)
NR	Nauru	SM	San Marino
BQ	Navassa Island	TP	Sao Tome and Principe
NP	Nepal	SA	Saudi Arabia
NL	Netherlands	SG	Senegal
NT	Netherlands Antilles	SE	Seychelles
NC	New Caledonia	SL	Sierra Leone
NZ	New Zealand	SN	Singapore
NU	Nicaragua	LO	Slovakia
NG	Niger	SI	Slovenia
NI	Nigeria	BP	Solomon Islands
NE	Niue	SO	Somalia
NF	Norfolk Island	SF	South Africa
CQ	Northern Mariana Island	SX	South Georgia & The South Sandwich Islands
NO	Norway	SP	Spain
MU	Oman	PG	Spratly Islands
OC	Other Countries	CE	Sri Lanka
PK	Pakistan	SH	St. Helena
LQ	Palmyra	SC	St. Kitts & Nevis
PS	Palau	ST	St. Lucia Island
PM	Panama	SB	St. Pierre & Miquelon
VC	St. Vincent and the Grenadines	TV	Tuvalu
SU	Sudan	UG	Uganda
NS	Suriname	UP	Ukraine
SV	Svalbard	ТС	United Arab Emirates

WZ	Swaziland	UK	United Kingdom (England, Northern Ireland, Scotland, and Wales)
SW	Sweden	UC	Unknown Country
SZ	Switzerland	UY	Uruguay
SY	Syria	UZ	Uzbekistan
TW	Taiwan	NH	Vanuatu
TI	Tajikistin	VT	Vatican City
ΤZ	Tanzania	VE	Venezuela
TH	Thailand	VM	Vietnam
ТО	Тодо	VQ	Virgin Islands (US)
TL	Tokelau	WQ	Wake Island
TN	Tonga	WF	Wallis & Futuna
TD	Trinidad & Tobago	WE	West Bank
TE	Tromelin Island	WI	Western Sahara
TS	Tunisia	ΥM	Yemen (Aden)
TU	Turkey	YO	Yugoslavia
ТΧ	Turkmenistan	ZA	Zambia
ТК	Turks and Caicos Islands	ZI	Zimbabwe

EXHIBIT 3 VALID EINS AND NAME CONTROLS

<u>For 1065</u>	Name Control	Tax Period Ending Month
69-000001	SAMS	12
69-000002	JENN	12
69-000003	CARL	12
69-000004	EAST	12
69-000005	SHOE	12

<u>For 1065-B</u>	Name Control	Tax Period Ending Month
69-000006	ABCO	12
69-000007	ABCC	12
69-000008	BLAC	12

<u>For 7004</u>	Name Control	Tax Period Ending Month	<u>Type of</u> Extension
11-0000030	RAMC	10	1120S
11-0000031	MODE	10	1120
11-0000032	FRUI	12	1120 (subchpt T)
11-0000033	FORE	7	1120-FSC
11-0000034	UNIT	12	1120-A
11-0000035	ANYB	12	1120
11-0000036	HOME	12	1120-H
11-0000037	ANYL	12	1120-L
11-0000038	NUCL	12	1120-ND
11-0000039	VOTE	12	1120-POL
11-0000040	ANYR	12	1120-REIT
11-0000041	ANYS	12	1120-SF
11-0000042	SECO	12	1120-F
11-0000043	HOTT	12	1120 affiliate
11-0000044	APPL	12	1120 affiliate
11-0000045	ANYF	12	990-C
11-0000046	ANYC	12	1120-PC
11-0000047	ANYR	12	1120-RIC
11-0000049	FLOW	12	1065
11-0000050	REDE	12	1120-C
11-0000051	LAMP	12	706-GS(D)
11-0000052	PUTT	12	706-GS(T)
11-0000053	CAMP	12	1041
11-0000054	SEAT	3	1042
11-0000055	LOOP	12	1066
11-0000056	BLUE	12	3520-A
11-0000057	ROSE	12	8804

Exhibit 4 Tax Year 2006 1065/1065-B Test Scenarios

TAX YEAR 2006 1065/1065-B TEST SCENARIOS

1. 1065, 4562 (2), 4797, 8825, 8844, 8882, 1065 SCH K-1 (102), Form 8453-PE, Dependencies

ATTACHMENTS: Itemized Other Deductions Statement Other Credits and Credit Recapture Statement Schedule L Other Assets Statement Schedule L Other Current Liabilities Statement Ordinary Business Income (Loss) Statement Code U Other Credit Statement

BINARY ATTACHMENTS: Scanned Form 8453-PE (8453 Signature Document)

NOTE: Please use the same data for the additional ninety-nine (99) Schedule K-1s, but increment the entity information as follows:

SSN: 000-00-1001 Name: Taxpayer A1 Address: PO Box 0001

SSN: 000-00-1002 **Name:** Taxpayer A2 **Address:** PO Box 0002

SSN: 000-00-1003 **Name:** Taxpayer A3 **Address**: PO Box 0003

2. 1065, 4562, 4797, 8271, 8824, 1065 SCH K-1 (2), Form 8453-PE, Dependencies

ATTACHMENTS: Self-Charged Interest Election Section 195 Election Itemized Other Deductions Statement

BINARY ATTACHMENTS: Scanned Form 8453-PE

3. 1065, Schedule M-3 (Form 1065) 4562, 8865, 1065 SCH K-1 (3), 8865, 8865 SCH O, 8865 SCH P, Dependencies

ATTACHMENTS:

Ordinary Income (Loss) From Other Partnerships, Estates, and Trusts Statement Other Income (Loss) Statement (Form 1065, Line7, Other Income (Loss); Form 1065 Instructions, other Income (Loss) Pg 15) Publicly Traded Partnership Statement Ownership of Any Interest in Another Partnership or Foreign Entity Statement Section 754 Election Income (Loss) From Foreign Partnerships Schedule

BINARY ATTACHMENTS: None

4. 1065, 4562, 4797, 8308, 1065 Sch D, 1065 Sch K-1 (3), Form 8453-PE, Dependencies

ATTACHMENTS:

Other Income (Loss) Statement Itemized Other Deductions Statement Itemized Section 263A Costs Schedule Inventoriable Costs Paid Schedule Section 754 Election Partnership's Charitable Contributions Statement Other AMT Items Statement Schedule L Other Current Assets Statement Schedule L Other Assets Statement Schedule L Other Current Liabilities Statement

BINARY ATTACHMENTS: Scanned Form 8453-PE (8453 Signature Document)

5. 1065, 4562 (2), 4797, 6252, 8825, 1065 SCH K-1 (4), Form 8453-PE, Dependencies

ATTACHMENTS:

Ordinary Income (Loss) From Other Partnerships, Estates, and Trusts Statement Other Income (Loss) Statement (Form 1065, Line7, Other Income (Loss); Form 1065 Instructions, Other Income (Loss) Pg 15) Itemized Other Deductions Statement Ownership of Any Interest in Another Partnership or Foreign Entity Statement Schedule L Other Current Assets Statement Schedule L Other Current Liabilities Statement

BINARY ATTACHMENTS: Scanned Form 8453-PE (8453 Signature Document)

6. 1065-B, 4797, 1065-B SCH K-1 (2), Form 8453-B, Dependencies

ATTACHMENTS: Itemized Other Deductions Schedule Inventoriable Costs Paid Schedule Balance Sheets Discrepancy Statement Schedule L Other Current Assets Statement

BINARY ATTACHMENTS: Scanned Form 8453-B (8453 Signature Document)

7. 1065-B, 4562, 8825, 1065-B SCH K-1 (2), Form 8453-B, Dependencies

ATTACHMENTS: Itemized Other Deductions Schedule Schedule K-1(Form 1065-B) Miscellaneous Item Statement Qualified Nonrecourse Financing Statement

BINARY ATTACHMENTS: Scanned Form 8453-B (8453 Signature Document)

8. 1065-B, 8308, 1065-B SCH K-1 (101)

ATTACHMENTS: Itemized Other Deductions Schedule

BINARY ATTACHMENTS: None

NOTE: Please use the same data for the additional ninety-eight (98) Schedule K-1s, but increment the entity information as follows:

SSN: 000-70-1001 Name: Taxpayer B1 Address: PO Box 0001

SSN: 000-70-1002 **Name:** Taxpayer B2 **Address:** PO Box 0002

SSN: 000-70-1003 **Name:** Taxpayer B3 **Address**: PO Box 0003

EXHIBIT 5 TAX YEAR 2006 7004 TEST SCENARIOS

1. Form: 1120S

RAM Corporation, Inc. 11-0000030 101 Main Street Downtown, MD 20601

Name Control: RAMC

2. Form 1120

Modern Technologies, Inc . 11-0000031 301 New Street Newtown, ND 58204

Name Control: MODE

Affiliate 1: Hottest Communications 11-0000043 100 Mall Avenue Uptown, OH 45324

Name Control: HOTT

Affiliate 2: High-Tech Solutions PENDING 200 Main Street Anytown, NC 27905

Name Control: HIGH

3. Form 1120-FSC

Foreign Business One 11-0000033 2 Rue Street Paris City. France

Name Control: FORE

Write-In: FILING UNDER REGULATION SECTION 1.6081-5

Affiliate 1: Overseas Imports NONE 123 Wide Street New City, NY 00422

EXHIBIT 5 TAX YEAR 2006 7004 TEST SCENARIOS (Continued)

4. Form 1065

Flower Store One 3 Bulb Street Somewhere, TX 78621 11-0000049

Name Control: FLOW

5. Form 1120C

RedesignComp, Inc 55 Any Street Anytown, MI 49261 11-0000050

Name Control: REDE

TEST SCENARIO 1

FORMS REQUIRED: 1065, 4562 (2), 4797, 8825, 8844, 8882, 1065 SCH K-1 (102), Form 8453-PE DEPENDENCIES

ATTACHMENTS: Itemized Other Deductions Statement Other Credits and Credit Recapture Statement Schedule L Other Assets Statement Schedule L Other Current Liabilities Statement Ordinary Business Income (Loss) Statement

BINARY ATTACHMENTS: Scanned Form 8453-PE (8453 Signature Document)

HEADER INFO:

Tax Period: Calendar Year 2006

Preparer Firm	Electronic Tax Filers, Inc	69-0000001
-	1065 Efile Drive	
	Anytown, NV 89501	

MultipleSoftwarePackagesUsed: Yes or No

Originator: EFIN: Self-select Type: ERO PractionerPIN: None

PIN Entered by – N/A

Signature Option: Binary Attachment 8453 Signature Document

Return Type: 1065

Filer:	EIN: 69-0000001 Name: Sam Starling LLP Name Control: SAMS Address: 631 N McKinley Dr Reno, NV 89510
Partner:	Name: Sam Starling Title: President Taxpayer PIN: Phone: 555-555-5555 Email Address: Anymail@email.com DateSigned: 04/01/2006
Preparer:	Name: Jesse James SSN: 000-11-0001 Phone: 555-555-5555 Email Address: Anymail@email.com Date Prepared: 04/01/2006 Self Employed: No
IRS PAYMENT:	N/A

Details for attachments to Form

Attachment 1, Form 1065, Page 1, Line 20 (Itemized Other Deductions Statement)

Travel and Entertainment	5,600,000
Other	28,750,000
Utilities	10,000,000
Fees	6,387,848

Attachment 2, Form 1065, Page 3, Schedule K, Line 15f (Other Credits and Credit Recapture Statement)

Childcare	35,600
Empowerment	40,000

Attachment 3, Form 1065, Page 4, Schedule L, Line 13b and 13d (Schedule L Other Assets Statement)

Туре	BOY Amount	EOY Amount		
Client Receivable	7,148,515	10,916,115		
Other	6,030,400	4,227,867		

Attachment 4, Form 1065, Page 4, Schedule L, Line 17b and 17d(Schedule L Other Current Liabilities Statement)

Туре	BOY Amount	EOY Amount
Other Current Liabilities	2,315,178	4,138,515
Other Accrued Liabilities	3,162,974	2,045,400

Attachment 5, Schedule K-1 (Form 1065), Part III, Line 1 (Ordinary Business Income (Loss) Statement)

Sam Starling's Statement ONLY				
Education	20,000			
Flight Instructor	20,000			
Legal Services	72,573,263			

		nership Income Tax	2006
		, , , ,	/31 , 2006
A	Principal business activity	Legal Services	
B	Principal product or service	Legal Services	
C	Business code number	541110	
	and Address:		t
D	Employer Identification number	69-0000001	
Е	Date business started	10/01/1977	
F	Total assets	108,367,069	
G	Check applicable boxes 1,2,3,4,5		
H	Check accounting method 1,2,3	Cash	
Ι	Number of Schedule K-1	102	
J	Check if Schedule M-3 Required (attach		
	Schedule M-3)		
	Line Description	Line Amount	Write-in / Literal / Attachment
1a	Gross receipts or sales	323,455,613	
1b	Less returns and allowances		
1c	Balance	323,455,613	
2	Cost of goods sold (Sch A, line 8)		
3	Gross profit. Subtract line 2 from 1c		
4	Ordinary income or (loss)		
5	Net farm profit (loss) F1040		
6	Net gain (loss) F4797	10,000	
7	Other income or (loss)		
8	Total income. Add lines 3 through 10	323,465,613	
9	Salaries and wages (less employment		
	credits)	110,535,025	
10	Guaranteed payments to partners	22,675,031	
11	Repairs and maintenance	2,042,164	
12	Bad debts		
13	Rent	25,922,173	
14	Taxes and licenses	12,226,452	
15	Interest	14,622	
16a	Depreciation (attach Form 4562)	7,292,891	
16b	Less depreciation claimed on Sch A	18,275	
16c	Total depreciation	7,274,616	
17	Depletion	7,271,010	
18	Retirement plans, etc	4,255,918	
19	Employee benefit programs	7,100,361	
20	Other deductions	50,737,848	Attachment 1
20	Total deductions (add lines $9 - 20$)	242,784,210	
22	Ordinary business income (loss) (Subtract	<u>لا ب</u> ب 10 <u>ب</u> ب	
	Line 21 from Line 8	80,681,403	
23	Credit for federal telephone excise tax	00,001,405	
	paid		
Schod	ule A Cost of Goods Sold	l 	l
1	Inventory at beginning of year		
2	Purchases less cost of items		
$\frac{2}{3}$	Cost of labor		
<u>3</u> 4			
	Additional section 263A costs		
5	Other costs		
6	Total. Add lines 1 - 5		
7	Inventory at the end of year		
8	Cost of goods sold. Subtract Line 7 from		
	6		

Form	1065 Test U.S. Return of Parti	ership Income Tax	2006
9a (i)	Cost in regulations 1.471-3	•	
9a	Lower of cost or market		
(ii)			
9a	Other		
(iii)			
9b	Check if write-down		
9c	Check if the LIFO was adopted		
9d	Section 263A rules apply		
9e	Change in determining quantities, cost,		
	valuations		
Sched			
<u>1a</u>	Domestic general partnership		
1b	Domestic limited partnership		
1c	Domestic limited liability company	\$7	
1d	Domestic limited liability partnership	X	
1e	Foreign partnership		
1f	Other	T 7	
2	Any partners in this partnership also	Y	
3	partnerships? Partnership own interest in another	™ ⊥	
3	partnership or foreign entity?	Ν	
4	Partnership files Form 8893?	N	
4 5a	Partnership total receipts <\$250,000	<u> </u>	
<u>5a</u> 5b	Partnership total assets <\$600,000	N	
50 5c	Filed Schedule K-1 with return?	N	
6	Partnership have foreign partners?	Y	
7	Partnership publicly traded partnership?	N N	
8	Partnership filed F8264?	N	
9	Partnership have an interest in or a	N	
,	signature, or other authority over	1	
	financial account in foreign country?		
10	Partnership receive distribution from,	Ν	
	granter of, transferor to foreign trust?		
11	Distribution of property or transfer of	Ν	
	partnership interest?		
12	Number of Forms 8865 attached	0	
	Name of designated TMP		
	Identifying number of TMP		
	Address of designated TMP		
	Schedule K Partners' Distributive Share It		
1	Ordinary business income (loss)	80,681,403	
2	Net rental real estate income (loss)	203,125	
3a	Other gross rental income (loss)		
3b	Other rental activities expenses		
3c	Other net rental income (loss) Subtract		
	Line 3b from 3a		
4	Guaranteed payments	22,675,031	
5	Interest Income	92,650	
<u>6a</u>	Ordinary dividends		
6b	Qualified dividends		
7	Royalties		
8	Net short-term capital gain (loss)		
9a	Net long-term capital gain (loss)		
9b	Collectibles (28%) gain (loss)		
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)		

Form	1065 Test U.S. Return of Partner	rship Income Tax	2006
11	Other income (loss)	•	
12	Section 179 deduction		
13a	Contributions		
13b	Investment interest expenses		
13c	Section 59(e)(2) expenditures (type)		
13c	Section 59(e)(2) expenditures (amount)		
(2)			
13d	Other deductions		
14a	Net earnings (loss) self employment	41,338,573	
14b	Gross farming or fishing income		
14c	Gross nonfarm income	282,117,040	
15a	Low-income housing credit $42(j)(5)$		
15b	Low-income housing credit (other)		
15c	Qualified rehabilitation expenditures		
15d	Other rental real estate credits		
15e	Other rental credits		
15f	Other credits and credit recapture	75,600	Attachment 2
16a	Name of country or U.S. possession		
16b	Gross income from all sources		
16c	Gross income sourced at		
	partnership level		
16d	Passive		
16e	Listed categories		
16f	General limitation		
16g	Interest expense		
16h	Other		
16i	Passive		
16j	Listed categories		
16k	General limitation		
<u>161</u>	Total foreign taxes Paid Accrued		
16m	Reduction in taxes available for credit		
16n	Other foreign tax information	100 1=1	
17a	Post 1986 depreciation adjustment	199,456	
17b	Adjusted gain or loss		
17c	Depletion (other than oil and gas)		
17d	Oil, gas, and geothermal properties-gross income		
17e	Oil, gas, and geothermal properties-		
1/0	deductions		
17f	Other AMT items		
18a	Tax-exempt interest income		
18b	Other tax-exempt income		
18c	Nondeductible expenses	775,128	
19a	Distrib of cash & marketable securities	75,140,310	
19b	Distributions of other property		
20a	Investment income	92,650	
	Investment meone Investment expenses	12,000	
20b	Investment expenses		

A	Analysis of Net Income (Loss)						
1	Net income (loss) Combine SchK line 1 – 11; Subtract sum SchK line 12 - 13d, and 16l	103,652,209					

		(ii) Individual (active)	(iii) Individ (passiv		(iv) Partnership652		(v) Exempt organization		(vi) Nominee Other	
2a	Analysis by General partners					41,460,884				
2b	Analysis by Limited partners		62,191	,325						
Sched	ule L Balance Sh	eets per Boo	oks		•					
		Beginnin	g of tax	•			of ta	ax year	Write-in / Literal	
	Assets	(a)		(b		(c)		(d)		
1	Cash	_		15,3	74,582	_		41,036,739		
2a	Trade notes						_			
2b	Less allowance									
3	Inventories									
4	U.S. govt oblig									
5	Tax-exempt securities									
6	Other current assets									
7	Mortgage & real estate loan									
8	Other investments									
9a	Bldgs & other deprec assets	64,93	7,028			79,134,5	516			
9b	Less accumu- lated deprec	32,12	3,456	32,8	313,572	26,947,3	18	52,187,198		
10a	Depletable assts									
10b	Less accumu- lated depletion									
11	Land									
12a	Intangible assets									
12b	Less accum amortization									
13	Other assets			13,1	78,915			15,143,982	Attachment 3	
14	Total assets				67,069			108,367,919		
	Liabilities	(a)		(b)	(c)		(d)		
15	Accounts payable									
16	Mortgages, notes bonds payable < 1 yr									
17	Other current liabilities	t		_5,4	78,152			6,183,915	Attachment 4	
18	All nonrecourse loans			11.0	00,000			11,000,000		
19	Mortgages, notes, bonds payable > 1yr							_,,		
20	Other liabilities									
21	Partners' capital accounts			44.8	88,917			91,184,004		
22	Total labilities and capital	1		<i>.</i>	67,069			108,367,919		

	Line Description	Line Amount	Write-in / Literal
1	Net Income (loss) per books	121,435,397	
2	Income included on SchK lines 1, 2, 3c, 5,	, ,	
	6a, 7, 8, 9a, 10, 11, not recorded on the		
	books this year (itemized):		
2	Total Income Included		
3	Guaranteed payments (other than health		
	insurance)	22,675,031	
4 a	Expenses recorded on books (itemize)		
	Depreciation		
4b	Travel & entertainment	5,600,000	
5	Add lines $1 - 4$	149,710,428	
6a	Income recorded on books (itemize) tax-		
	exempt interest		
7	Deductions included on Sch K		
7a	Deductions not charged against book		
	(itemize) depreciation	46,058,219	
8	Add lines 6 and 7	46,058,219	
9	Income (loss) (Analysis of net income		
	(loss) line 1). Subtract line 8 from line 5	103,652,209	
Schedu	ule M-2 Analysis of Partners' Capital Acco	ounts	
1	Balance at beginning of year	44,888,917	
2a	Capital contributed – Cash		
2b	Capital contributed – Property		
3	Net income (loss) per books	121,435,397	
4	Other increases (itemized)		
5	Add lines 1 through 4	166,324,314	
6a	Distributions – Cash	75,140,310	
6b	Distributions – Property		
7	Other decreases (itemized)		
8	Add lines 6 and 7	75,140,310	
9	Balance at end of year. Subtract line 8		
	from line 5	91,184,004	

Form 4	562	Depreciatio	n and Amort	ization	2006			
Name: S	Sam Starling							
Business	s or Activity: Legal So	ervices						
EIN: 69	-0000001							
	Line Description		L	ine Amount		Write-in / Lit	teral / Atta	chments
Part I	Election to Expense	Certain Prope	erty Under Se	ection 179				
1	Maximum amount	•	•		105,000			
2	Total cost of section	179 prop						
3	Threshold cost of sec				420,000			
4	Reduction in limitati	on			,			
5	Dollar limitation for	TY						
6(a)	Description of Prope	erty						
6(b)	Cost	2						
6(c)	Elected cost							
7	Listed property							
8	Total elected cost of	sec 179 prop						
9	Tentative deduction	r-r'						
10	Carryover of disallow	wed deduction						
11	Business income lim		<u> </u>					
12	Section 179 expense							
13	Carryover of disallow							
Part II	Special Depreciation		nd Other De	nreciation				
14	Special depreciation				,258,175			
15	Property subject to se		ection		,200,170			
16	Other depreciation		cottion		625,392			
Part III	1	tion			020,072			
17	MACRS deductions			2	,743,901			
18	Sec 168(i)(4) election	n			,7 10,901			
	\mathbf{B} – Assets Placed in S		σ 2006 Tax V	ear Using the	General I	Denrecistion S	System	
Section	(a)Classification	(b)Month	(c) Basis	(d)Recove	(e)	(f)Meth	(g)Depr	Write-in /
	of property	& Year	for	ry period	Conven		(g)r- C	Literal /
	1 1 0		deprec		on		deduct	Attach-
			-					ments
19a	3-year property							
19b	5-year property		1,428,700	5 yrs	HY	DDB	285,740	
19c	7-year property		2,275,000	7 yrs	HY	DDB	324,870	
19d	10-year property							
19e	15-year property							
19f	20-year property							
19g	25-year property					S/L		
19h	Residential rental				MM	S/L		
	property							
19i						C/I	26 520	
	Nonresidential real		1 435 000	20	1/1/			1
	Nonresidential real property		1,425,000	39 yrs	MM	S/L	36,538	
Section		Service Durin						
Section 20a	property	Service Durin						
	property C – Assets Placed in S	Service Durin						
20a	property C – Assets Placed in S Class life	Service Durin		Year Using the		ve Depreciati		
20a 20b	property C – Assets Placed in S Class life 12-year 40-year	Service Durin		Year Using the	e Alternati	ve Depreciation		
20a 20b 20c	property C – Assets Placed in S Class life 12-year 40-year Summary	Service Durin		Year Using the	e Alternati	ve Depreciation		
20a 20b 20c Part IV 21	property C – Assets Placed in S Class life 12-year 40-year	Service Durin		ear Using the	Alternati AM	ve Depreciation		
20a 20b 20c Part IV	property C – Assets Placed in S Class life 12-year 40-year Summary Listed property	Service Durin		ear Using the	e Alternati	ve Depreciation		

	Listed Property A – Depreciation and	Other Info	rmation				
24a	Evidence?						
24a 24b	Evidence written?						
25	Special depreciation	allowance					
26(a)	Type of property	anowanee					
26(b)	Date in service						
26(c)	Business investment	0/0					
26(d)	Cost or other basis	/0					
26(e)	Basis for depreciation	1					
26(f)	Recovery period	1					
26(g)	Method/Convention						
26(g) 26(h)	Depreciation deduction	าท					
26(i)	Election Sec 179 cost						
$\frac{20(1)}{27(a)}$	Type of property						
$\frac{27(a)}{27(b)}$	Date in service						
$\frac{27(0)}{27(c)}$	Business investment	0/					
27(c) 27(d)	Cost or other basis	/ U					
27(u) 27(e)	Basis for depreciation	1					
27(f)	Recovery period	1					
27(g)	Method/Convention						
$\frac{27(g)}{27(h)}$	Depreciation deduction	on					
27(i) 27(i)	Election Sec 179 cost						
27(1)	Add column (h), lines						
29	Add column (i), line						
-	B – Information on U		06				
30(a)	Total bus/invest mile		.05				
$\frac{30(a)}{31(a)}$	Total commuting mil						
$\frac{31(a)}{32(a)}$	Tot other personal mi						
	Total miles driven	les uriven					
33(a) 34	Vehicle available for	norgonal ug	-2				
<u>34</u> 35	Vehicle used > 5% ?	personal use	31				
<u>36</u>	Another vehicle avail	f or <i>m</i> or <i>n</i> or <i>n</i> o	1				
				ahialaa fan II	a ha Thair F		
	C – Questions for Em Maint written policy			enicies for Us	se by i neir E	mpioyees	
37 38	Maint written policy Maint written policy						
	Vehicles treated as pe		is use				
<u>39</u> 40	Provide > 5 vehicle?	si sonat use?					
40 41		atratice	2				
	Qualified auto demor	istration use	!				
Part VI		(b)Data	(a) A	(d)Cada	(a) A a t	(f) A at	Waite in / I iteral /
	(a)Depreciation of costs	(b)Date amort begins	(c) Amort amount	(d)Code section	(e)Amort period or percent	(f)Amort for this Yr	Write-in / Literal / Attachments
42							
43	Amort of costs before 2006 TY		1			1	
44	Total						

Form 4	1562	Depreciat	ion and Amo	ortization		2006			
Name:	Sam Starling LLP								
Busines	ss or Activity: Rental								
EIN: 6	9-0000001								
	Line Description			Line Amoun	t	1	Write-in / Li	teral / Atta	chments
Part I	Election to Expense	Certain Pro	perty Under	Section 179					
1	Maximum amount				105	5,000			
2	Total cost of section								
3	Threshold cost of sec		р		420),000			
4	Reduction in limitation		1						
5	Dollar limitation for								
6(a)	Description of Proper	rty							
6(b)	Cost								
6(c)	Elected cost								
7	Listed property								
8	Total elected cost of	sec 179 prop)						
9	Tentative deduction								
10	Carryover of disallov		n						
11	Business income lim								
12	Section 179 expense								
13	Carryover of disallov								
Part II			e and Other	Depreciation	l	i			
14	Special depreciation								
15	Property subject to se	ec 168(f)(1)	electio						
16	Other depreciation								
Part II	I MACRS Deprecia	tion							
17	MACRS deductions				18	8,275			
18	Sec 168(i)(4) election	1				,			
Section	B – Assets Placed in	Service Dur	ing 2006 Ta	x Year Using	the G	eneral l	Depreciation	System	
	(a)Classification of	(b)Mont	(c) Basis	(d)Recove		onventi		(g)Depr	Write-in /
	property	h & Year	for deprec	ry period		n	od	c deduct	Literal / Attach-
			acpree						ments
100	2 year property								
<u>19a</u>	3-year property								
19b 19c	5-year property 7-year property							-	
19c 19d	10-year property								
19u 19e	15-year property								
19e	20-year property								
191 19g	25-year property						S/L		
<u>19g</u> 19h	Residential rental				MM		S/L S/L	-	
1711	property						S/L		
	(a)Classification of	(b)Month	(c) Basis	(d)Recovery	(e)C	onventio	n (f)Method	(g)Deprc	Write-in /
	property	& Year	for deprec	period				deduct	Literal / Attach- ments
10:	1				MM		S/L		
19i	Nonresidential real				IVIIVI		D/L		
191	Nonresidential real property				101101		5/L		
		Service Dui	ring 2006 Ta	x Year Using				ion System	
	property	Service Dui	ring 2006 Ta	x Year Using				ion System	
Section	property C – Assets Placed in	Service Dui	∙ing 2006 Ta	x Year Using				ion System	
Section 20a	property C – Assets Placed in Class life	Service Dui	∙ing 2006 Ta	x Year Using		lternati	ve Depreciat	ion System	

Form 4	562	Depreciat	ion and Amo	ortization	2006		
Part IV	Summary						
21	Listed property						
22	Total				18,275		
23	Assets for CY						
Part V	Listed Property						
	A – Depreciation and	d Other Info	ormation				
24a	Evidence?						
24b	Evidence written?						
25	Special depreciation	allowance					
26(a)	Type of property						
26(b)	Date in service						
26(c)	Business investment	%					
26(d)	Cost or other basis						
26(e)	Basis for depreciation	1					
26(f)	Recovery period						
26(g)	Method/Convention						
26(h)	Depreciation deduction	on					
26(i)	Election Sec 179 cost						
27(a)	Type of property	•					
27(b)	Date in service						
27(c)	Business investment	%					
27(d)	Cost or other basis	/0					
27(e)	Basis for depreciation	1					
27(f)	Recovery period	-					
27(g)	Method/Convention						
27(h)	Depreciation deduction	on					
27(i)	Election Sec 179 cost						
28	Add column (h), line						
29	Add column (i), line						
	B – Information on U		les				
30(a)	Total bus/invest mile						
31(a)	Total commuting mil						
32(a)	Tot other personal m						
33(a)	Total miles driven						
34	Vehicle available for	personal use	?				
35	Vehicle used $> 5\%$?						
36	Another vehicle avail	for persona	l use?				
	C – Questions for Er	1		ehicles for U	se by Their	Employees	
37	Maint written policy				v	• •	
38	Maint written policy						
39	Vehicles treated as po	•					
40	Provide > 5 vehicle?						
41	Qualified auto demor	nstration use	?				
Part VI	Amortization						
	(a)Depreciation of	(b)Date	(c) Amort	(d)Code	(e)Amort	(f)Amort	Write-in / Literal /
	costs	amort	amount	section	period or	for this Yr	Attachments
		begins			percent		
42						+ +	
42	Amort of costs				<u> </u> [1	
43	before 2006 TY						
44	Total						
	•	•					

Form 4	4797 Sales of Busines	ss Property	2006
	Sam Starling LLP		
EIN: 6	9-000001		
	Line Description	Line Amount	Write-in / Literal / Attachments
1	Gross receipts fm sales or exchg		
Part I		in a Trade or Business	
2(a)	Description of property		
2(b)	Date acquired		
2(c)	Date sold		
2(d)	Gross sales price		
2(e)	Depreciation allowed		
2(f)	Cost or other basis		
2(g)	Gain or (loss)		
3	Gain fm F4684		
4	Sec 1231 gain fm F6252		
5	Sec 1231 gain fm F8824		
6	Gain fm casualty or theft		
7	Combine lines 2 to 6		
8	Nonrecaptured net sec 1231 loss		
9	Subtract line 8 from line 7		
Part II		I	
10(a)	Description of property		
10(b)	Date acquired		
10(c)	Date sold		
10(d)	Gross sales price		
10(e)	Depreciation allowed		
10(f)	Cost or other basis		
10(g)	Gain or loss		
11	Loss fm line 7		
12	Gain fm line 7		
13	Gain fm line 31	10,000	
14	Net gain F4684		
15	Ordinary gain F6252		
16	Ordinary gain F8824		
17	Combine lines 10 to16	10,000	
18a	Part of loss F4684		
18b	Redetermined gain or (loss) on line 17		
Part II	1 1 1		2, 1254 and 1255
<u>19(a)</u>	Description of property	Furniture and Fixtures	
19(b)	Date acquired	01/01/2006	
<u>19(c)</u>	Date sold	01/19/2006	
20	Gross sales price	10,000	
21	Cost or other basis	10,000	
22	Depreciation allowed	10,000	
23	Adjusted basis	10.000	
24	Total gain	10,000	
25a	Depreciation allowed	10,000	
25b	Smaller of lines 24 and 25a	10,000	
26a	Additional depreciation after 1975		
26b	Applicable %		
26c	Subtract line 26a from line 24		
26d	Additional depreciation after 1969		
26e	Smaller of lines 26c and 26c		
26f	Sec 291 amount		
26g	Add lines 26b,26e and 26f		

Form 4	797	Sales of Business	s Property		2006
27a	Soil, water, land				
27b	Line 27 multiplied by	applicable %			
27c	Smaller of lines 24 ar	nd 27b			
28a	Intangible drilling				
28b	Smaller of lines 24 ar	id 28a			
29a	Applicable % of payr	nent excluded			
29b	Smaller of lines 24 ar	id 29a			
30	Total gain all propert	у	1	10,000	
31	Add property column	s A – D	1	10,000	
32	Subtract line 31 from	line 30			
Part IV	Recapture Amount	s Under Sections 1	179 and 280F(b)(2)		
33(a)	Sec 179 expn ded – S	ec 179			
33(b)	Sec 179 expn ded – S	ec 280F(b)			
34(a)	Recomputed deprc -	Sec 179			
34(b)	Recomputed deprc- S	ec280F(b)			
35(a)	Recapture amount – S	Sec 179			
35(b)	Recapture amount – S	Sec 280F(b)			

Form 88	325		eal Estate Income and Expenses of the test of	of a	2006
Name: S	Sam Starling LLP				
EIN: 69	-0000001				
	Line Description		Line Amount / Information	Write-i Attachr	n / Literal / nents
1A	Kind & location of ea	ach property	Rental		
2A	Gross rents		1,234,900		
3A	Advertising				
4 A	Auto and travel				
5A	Cleaning and mainter	nance			
6A	Commissions				
7A	Insurance				
8A	Legal and other profe	essional fees			
9A	Interest				
10A	Repairs				
11A	Taxes				
12A	Utilities				
13A	Wages and salaries				
14A	Depreciation		18,275		
15A	Other		1,013,500		
16A	Total expense for eac	h property	1,031,775		
17	Total gross rents		1,234,900		
18	Total expenses		(1,031,775)		
19	Net gain (loss) F479	7			
	Net income (loss) fro	m rental real			
20a	estate activities				
20b(1)	Name				
20b(2)	EIN				
21	Net rental real estate	income (loss)	203,125		

Form 8	3844	Empowerm	ent Zone and Renev Employment Cred		2006
	Sam Starling LLP		• • • • •		
EIN: 69	-0000001				
	Line Description		Line Amount	Write-in / Literal	
Part I	Current Year Cree		Γ	I	
	Total qualified wages				
	incurred during calend		1000		
1a	qualified empowerme		1000		
	Total qualified wages incurred during calend				
1a	qualified empowerme		200		
1a	Total qualified wages		200		
	incurred during calend				
1b	qualified renewal con				
	Total qualified wages				
	incurred during calen				
1b	qualified renewal con	nmunity wages			
	Add lines 1a and 1b.				
_	amount fro your dedu	ction for			
2	salaries and wages				
2	Form 8844 credits fro	om pass through			
3	entities				
4	Add lines 2 and 3	nd ron1	200		
	Empowerment zone a				
	community employm included on line 4 fro				
5	activities	in passive			
6	Subtract line 5 from 1	ine 4			
•	Passive activity credit				
7	2005				
	Carryforward of emp	owerment zone			
	and renewal commun	ity employment			
8	credit to 2005				
	Carryback of empowe				
0	renewal community e	mployment			
9	credit from 2006	dd lin og (
10	Current year credit. A through 9	ad lines 6			
10	Amount allocated to p	natrons			
11	Cooperatives, estates				
12	Subtract 11 from line				
Part II	Allowable Credit	-	1	I	
11	Regular tax before cro	edits			
12	Alternative minimum				
13	Add lines 11 and 12				
14a	Foreign tax credit				
	Credits from Form 10	40 lines 48			
14b	through 54				
	Possessions tax credit	(F5735, line 17			
14c	ort 27)				
	Nonconventional sour	rce fuel credit			
14d	(F8907, line 23				
14e	Other specified credit				
14f	Add lines 14a through				
	Net income tax. Subtr				
15	from line 13. If zero, and enter zero on line				
15	and enter zero on line	13	l	1	

Form	8844	Empowerm	Empowerment Zone and Renewal Community Employment Credit		
	Net income tax. Subt	ract line 14f			
16	from line 11. If zero of	or less enter 0			
17	Tentative minimum ta	ax			
18	25% of excess line 16	5>\$25,000			
19	Multiply line 17 by 7	5% (.75)			
20	Greater of line 18 or	line 19			
21	Subtract line 20 from	line 15			
22	General business crea	lit			
23	Subtract line 22 from	line 21			
24	Credit allowed for the	e current year			

Form 88	882	Credit for En	nployer-Provided Childc Services	are Facilities and	2006
Name: S	Sam Starling LLP				
EIN: 69	-0000001				
	Line Description		Line Amount	Write-in / Literal	
Part I	Current Year Cree	lit		•	
1	Qualified childcare fa	cility expend			
2	Enter 25% of line 1				
	Qualified childcare re	source and			
3	referral expend				
4	Enter 10% of line 3				
5	Form 8882 credits fro entities	om pass through	35,600		
6	Add lines 2, 4, and 5		35,600		
7	Smaller of line 6 or \$	150,000	35,600		
8	Amount allocated				
9	Estates and Trusts. Su from line 7	ıbtract line 8			

	K-1 (Form 1065) Partner's Share		ctions, Credi	ts, etc. 2006
Tax	year beginning January 1, 2006 ending December	er 31, 2006		Γ
	Final K-1 🗆			
	Amended K-1			
Part	I Information About the Corporation	1.		
	Line Description	Line Amount		Write-in / Literal / Attachments
Α	Partnership's employer identification number	69-000	0001	
B	Partnership's name, address, city, state, and Zip	Sam Starli		
	code	631 N McK		
		Reno, NV		
C	IRS Center where corporation filed return	Ogd	en	
D	Check if Publicly traded partnership (PTP)			
E	Tax shelter registration number, if any Check if Form 8271 is attached			
F				
G Fart	II Information About the Partner Partner's Identification number	000-00-	0001	
<u>с</u> Н	Partner's name, address, city, state and ZIP code			
п	i artifer s hame, address, eity, state and ZIP code	Taxpay PO Box		
		Reno, NV		
I	□ General partner or LLC member-manager	Limited partn		
-	□ Limited partner or other LLC member	LLC me		
J	Domestic partner			
	□ Foreign partner	Domestic	partner	
K	What type of entity is this partner?			
L	Partner's share of profit, loss and capital			
		Beginning%	Ending%	
	Profit	.5	.5	
	Loss	.5	.5	
	Capital	.5	.5	
Μ	Partner's share of liabilities at year end:		~== ^^^	
	Nonrecourse \$	-	\$55,000	
	Qualified nonrecourse financing \$			
NT	Recourse \$			
N	Partner's capital account analysis:		\$77 <i>4 44E</i>	
	Beginning capital account \$	+	<u>\$224,445</u>	
	Capital contributed during the year \$ Current year increase (decrease) \$		\$607,177	
	Withdrawals & distributions \$		(\$375,702)	
	Ending capital account \$		(00/05/02)	
			\$455,920	
	□ Tax basis □ GAAP □ Sect 704(b) book			
	□ Other (explain)	Sect 704(1	b) book	
Part	III Partner's Share of Current Year Income, D			
	Line Description			Write-in / Literal /
				Attachments
1	Ordinary business income (loss)		\$403,407	
2	Net rental real estate income (loss)		\$1,016	
3	Other net rental income (loss)			
4	Guaranteed payments		* • • · -	
5	Interest income	-	\$463	
<u>6a</u>	Ordinary dividends			
<u>6b</u>	Qualified dividends			
7	Royalties			
8	Net short-term capital gain (loss)			
9a 0h	Net long-term capital gain (loss)	+		
9b	Collectibles (28%) gain (loss)			

9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)		
11	Other income (loss)		
12	Section 179 deduction		
13	Other deductions		
14	Self-employment earnings (loss)	A \$45,350	
		C \$1,410,585	
15	Credits & credit recapture	M \$200	
		U \$178	
16	Foreign transactions		
17	Alternative minimum tax (AMT) items	A \$997	
18	Tax-exempt income & nondeductible expense	C \$3,876	
19	Distributions	A \$375,702	
20	Other Information	A \$463	

		of Income, Deduc	tions, Credi	ts, etc. 2006
Tax	year beginning January 1, 2006 ending December	er 31, 2006		
	Final K-1			
	Amended K-1			
Part	I Information About the Corporation Line Description	Line Amount		Write-in / Literal / Attachments
A	Partnership's employer identification number	69-0000	001	Attachments
B	Partnership's employer identification number	Sam Starling LLP		
D	code	631 N McKi		
		Reno, NV		
С	IRS Center where corporation filed return	Ogde		
D	Check if Publicly traded partnership (PTP)			
E	Tax shelter registration number, if any			
F	Check if Form 8271 is attached			
Part	II Information About the Partner			
G	Partner's Identification number	000-00-1	1234	
Н	Partner's name, address, city, state and ZIP code	Sam Sta		
		PO Box		
		7 Birch B		
		St Johns. NFL		
-		AIC5		
I	General partner or LLC member-manager	Limited partne		
T	Limited partner or other LLC member	LLC me	mber	
J	 Domestic partner Foreign partner 	Forsion -	artner	
K	What type of entity is this partner?	Foreign p	artiler	
<u>k</u> L	Partner's share of profit, loss and capital	1		
iL.	i armer s share or profit, loss and capital	Beginning%	Ending%	
	Profit	10	10 Ending /0	
	Loss	10	10	
	Capital	10	10	
Μ	Partner's share of liabilities at year end:			
	Nonrecourse \$	1	\$1,100,000	
	Qualified nonrecourse financing \$, , -	
	Recourse \$			
N	Partner's capital account analysis:			·
	Beginning capital account \$		\$4,488,892	
	Capital contributed during the year \$			
	Current year increase (decrease) \$	\$	512,143,540	
	Withdrawals & distributions \$	(5	\$7,514,031)	
	Ending capital account \$			
			\$9,118,401	
	\Box Tax basis \Box GAAP \Box Sect 704(b) book			
	□ Other (explain)	Sect 704(b		
Part	III Partner's Share of Current Year Income, De	eductions, Credits	s, and Other	
	Line Description			Write-in / Literal / Attachments
1	Ordinary business income (loss)		\$8,068,140	Attachment 5
2	Net rental real estate income (loss)		\$20,312	
3	Other net rental income (loss)			
4	Guaranteed payments			
5	Interest income		\$9,265	
<u>6a</u>	Ordinary dividends			
<u>6b</u>	Qualified dividends			
7	Royalties			
8	Net short-term capital gain (loss)			

-		1	
9a	Net long-term capital gain (loss)		
9b	Collectibles (28%) gain (loss)		
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)		
11	Other income (loss)		
12	Section 179 deduction		
13	Other deductions		
14	Self-employment earnings (loss)	A \$907,001	
		C \$28,211,704	
15	Credits & credit recapture	M \$4,000	
		U \$3,560	
16	Foreign transactions		
17	Alternative minimum tax (AMT) items	E \$19,946	
18	Tax-exempt income & nondeductible expense	C \$77,513	
19	Distributions	A \$7,514,031	
20	Other Information	A \$9,265	

		of Income, Dedu	ctions, Credi	ts, etc. 2006
Tax	year beginning January 1, 2006 ending December	er 31, 2006		
	Final K-1 🗆			
	Amended K-1			
Part	I Information About the Corporation			
	Line Description	Line Amount		Write-in / Literal / Attachments
Α	Partnership's employer identification number	69-000	0001	
B	Partnership's name, address, city, state, and Zip	Sam Starli	ing LLP	
	code	631 N McK	Sinley Dr	
		Reno, NV	89510	
С	IRS Center where corporation filed return	Ogd	en	
D	Check if Publicly traded partnership (PTP)			
E	Tax shelter registration number, if any			
F	Check if Form 8271 is attached			
Part	II Information About the Partner			
G	Partner's Identification number	69-100	0001	
Н	Partner's name, address, city, state and ZIP code	Barton &		
		Enterp		
		RR 51		
		Anchorage,		
Ι	General partner or LLC member-manager	General parts		
	Limited partner or other LLC member	member-n	nanager	
J	Domestic partner			
	Foreign partner	Domestic	partner	
K	What type of entity is this partner?			
L	Partner's share of profit, loss and capital			
		Beginning%	Ending%	
	Profit	40	40	
	Loss	40	40	
	Capital	40	40	
Μ	Partner's share of liabilities at year end:			
	Nonrecourse \$		\$4,400,000	
	Qualified nonrecourse financing \$			
	Recourse \$			
N	Partner's capital account analysis:			
	Beginning capital account \$		\$17,955,568	
	Capital contributed during the year \$			
	Current year increase (decrease) \$		\$48,574,160	
	Withdrawals & distributions \$	(\$	30,056,124)	
	Ending capital account \$			
			\$36,473,604	
	\Box Tax basis \Box GAAP \Box Sect 704(b) book			
	□ Other (explain)	Sect 704(1		
Part	III Partner's Share of Current Year Income, D	eductions, Credit	s, and Other	
	Line Description			Write-in / Literal /
				Attachments
1	Ordinary business income (loss)		\$32,272,560	
2	Net rental real estate income (loss)		\$81,248	
3	Other net rental income (loss)			
4	Guaranteed payments		\$22,675,031	
5	Interest income		\$37,060	
6a	Ordinary dividends			
6b	Qualified dividends			
7	Royalties			
8	Net short-term capital gain (loss)			
9a	Net long-term capital gain (loss)			

9b	Collectibles (28%) gain (loss)		
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)		
11	Other income (loss)		
12	Section 179 deduction		
13	Other deductions		
14	Self-employment earnings (loss)	A \$16,535,429	
		C \$112,846,816	
15	Credits & credit recapture	M \$16,000	
		U \$14,240	
16	Foreign transactions		
17	Alternative minimum tax (AMT) items	A \$79,184	
18	Tax-exempt income & nondeductible expense	C \$310,052	
19	Distributions	A \$30,056,124	
20	Other Information	A \$37,060	

TEST SCENARIO 2

FORMS REQUIRED: 1065, 4562, 4797, 8271, 8824, 1065 SCH K-1 (2), Form 8453-PE DEPENDENCIES

ATTACHMENTS:

Self-Charged Interest Election Section 195 Election Itemized Other Deductions Statement

BINARY ATTACHMENTS: Scanned Form 8453-PE

HEADER INFO:

Tax Period: Calendar Year 2006

Preparer Firm	Electronic Tax Filers, Inc	69-0000002
	1065 Efile Drive	
	Anytown, NV 89501	

MultipleSoftwarePackagesUsed: Yes or No

Originator: EFIN: Self-select Type: ERO PractionerPIN: None PIN Entered by – N/A

Signature Option: Binary Attachment 8453-PE Signature Document

Return Type: Form 1065

Filer:	EIN: 69-0000002 Name: Jennings Boats LLC Name Control: JENN Address: Rt 1 Box 843 Bar Harbor, ME 04609
Partner:	Name: Horace Jennings Title: Chief Executive Officer Taxpayer PIN: Phone: 555-555-5555 Email Address: Anymail@email.com Date Signed: 04/15/2006
Preparer:	Name: Paul Jennings SSN: 000-10-0002 Phone: 555-555-5555 Email Address: Anymail@email.com Date Prepared: 04/15/2006 Self Employed: No

IRS PAYMENT: N/A

Details for attachments to Form

Attachment 1, Form 1065 (Self-Charged Interest Election)

Name of Partnership	Address	EIN	Regulation Section 1.469- 7(g) Declaration
Jennings Boats	Rt 1 Box 843 Bar Harbor, ME 04609	69-0000002	Yes

Attachment 2, Form 1065 (Section 195 Election)

Description of Trade or Business	Number of Months Expenditure Amortized	Description of Start-Up	Date Trade or Business Began
	_	Expenditure	
Boats Sales and	Sixty (60)	Pre-	01/01/2006
Services		organization	
		Costs	

Attachment 3, Form 1065, Page 1, Line 20 (Itemized Other Deductions Statement)

Amortization	5,000
Professional Fees	225,000
Insurance	84,722

	1065 Test U.S. Return of Part	nership Income Tax	2006
Calen	dar Year 2006 or tax year beginning 1/1	, 2006, ending 12/31	, 2006
Α	Principal business activity	Boat Sales	
B	Principal product or service	Sales and Services	
С	Business code number	441222	
Name	and Address:		
D	Employer Identification number	69-000002	
Е	Date business started	01/01/2006	
F	Total assets	\$2,749,483	
G	Check applicable boxes 1,2,3,4,5	Initial	
Н	Check accounting method 1,2,3	Accrual	
Ι	Number of Schedule K-1	2	
J	Check if Schedule M-3 Required (attach		
	Schedule M-3)		
	Line Description	Line Amount	Write-in / Literal / Attachment
1a	Gross receipts or sales	\$4,212,980	
1b	Less returns and allowances	\$350,000	
1c	Balance	\$3,862,980	
2	Cost of goods sold (Sch A, line 8)	\$3,508,023	
3	Gross profit. Subtract line 2 from 1c	\$354,957	
4	Ordinary income or (loss)		
5	Net farm profit (loss) F1040		
6	Net gain (loss) F4797	\$9,000	
7	Other income or (loss)		
8	Total income. Add lines 3 through 10	\$363,957	
9	Salaries and wages (less employment		
	credits)	\$150,000	
10	Guaranteed payments to partners	\$110,000	
11	Repairs and maintenance	\$5,562	
12	Bad debts		
13	Rent	\$265,740	
14	Taxes and licenses	\$33,450	
15	Interest	\$95,362	
16a	Depreciation (attach Form 4562)	\$100,976	
16b	Less depreciation claimed on Sch A	· · · · · · · · · · · · · · · · · · ·	
16c	Total depreciation	\$100,976	
17	Depletion		
18	Retirement plans, etc		
19	Employee benefit programs	\$1,250	
20	Other deductions	\$310,222	Attachment 3
21	Total deductions (add lines $9 - 20$)	\$1,072,562	
22	Ordinary business income (loss) (Subtract	- ,- ,	
	Line 21 from Line 8	(\$708,605)	

Schedule	Schedule A Cost of Goods Sold		
1	Inventory at beginning of year		
2	Purchases less cost of items	\$5,602,453	
3	Cost of labor		
4	Additional section 263A costs		
5	Other costs	\$131,245	
6	Total. Add lines 1 - 5	\$5,733,698	
7	Inventory at the end of year	\$2,225,675	
8	Cost of goods sold. Subtract Line 7		
	from 6	\$3,508,023	
9a (i)	Cost in regulations 1.471-3	X	
9a (ii)	Lower of cost or market		

9a (iii)	Other		
9b	Check if writedown		
90 9c	Check if the LIFO was adopted		
90 9d	ł	N	
	Section 263A rules apply	N N	
9e	Change in determining quantities, cost, valuations	IN	
C I I			
Sched			
<u>1a</u>	Domestic general partnership		
1b	Domestic limited partnership		
1c	Domestic limited liability company	X	
1d	Domestic limited liability partnership		
1e	Foreign partnership		
1f	Other		
2	Any partners in this partnership also	Ν	
_	partnerships?		
3	Partnership own interest in another	Ν	
L	partnership or foreign entity?		
4	Partnership file Form 8893?	N	
5a	Partnership total receipts <\$250,000	N	
5b	Partnership total assets <\$600,000	N	
5c	Filed Schedule K-1 with return?	Ν	
6	Partnership have foreign partners?	Ν	
7	Partnership publicly traded partnership?	Ν	
8	Partnership filed F8264?	Ν	
9	Partnership have an interest in or a	Ν	
	signature, or other authority over		
	financial account in foreign country?		
10	Partnership receive distribution from,	Ν	
	granter of, transferor to foreign trust?		
11	Distribution of property or transfer of	N	
	partnership interest?		
12	Number of Forms 8865 attached	0	
	Name of designated TMP		
	Identifying number of TMP		
	Address of designated TMP		
	Schedule K Partners' Distributive Share I	tems	
1	Ordinary business income (loss)	(\$708,605)	
2	Net rental real estate income (loss)		
3 a	Other gross rental income (loss)		
3b	Other rental activities expenses		
3c	Other net rental income (loss) Subtract		
	Line 3b from 3a		
4	Guaranteed payments	\$110,000	
5	Interest Income	\$250	
6a	Ordinary dividends	¢200	
6b	Qualified dividends		
7	Royalties		
8	Net short-term capital gain (loss)		
0 9a	Net long-term capital gain (loss)		
9a 9b	Collectibles (28%) gain (loss)		
90 9c			
	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)		
11	Other income (loss)		
12	Section 179 deduction		
13a	Contributions		
13b	Investment interest expenses		

13c	Section 50(a)(2) anonditures (type)		
13c	Section 59(e)(2) expenditures (type) Section 59(e)(2) expenditures (amount)		
	Section 59(e)(2) expenditures (amount)		
(2) 13d	Other deductions		
13u 14a	Net earnings (loss) self employment	(\$202.902)	
14a 14b	Gross farming or fishing income	(\$303,803)	
	Gross nonfarm income	¢4 51(792	
14c		\$4,516,783	
15a	Low-income housing credit $42(j)(5)$		
15b	Low-income housing credit (other) Qualified rehabilitation expenditures		
15c	Other rental real estate credits		
15d			
15e	Other rental credits		
15f	Other credits and credit recapture		
16a	Name of country or U.S. possession		
16b	Gross income from all sources		
16c	Gross income sourced at		
1(-1	partnership level		
16d	Passive		
16e	Listed categories		
16f	General limitation		
16g	Interest expense		
16h	Other		
16i	Passive		
16j	Listed categories		
16k	General limitation		
16l	Total foreign taxes Paid Accrued		
16m	Reduction in taxes available for credit		
16n	Other foreign tax information		
17a	Post 1986 depreciation adjustment		
17b	Adjusted gain or loss		
17c	Depletion (other than oil and gas)		
17d	Oil, gas, and geothermal properties-gross		
15	income		
17e	Oil, gas, and geothermal properties-		
150	deductions		
17f	Other AMT items		
18a	Tax-exempt interest income		
18b	Other tax-exempt income		
18c	Nondeductible expenses	\$600	
19a	Distri of cash & marketable securities		
19b	Distributions of other property		
20a	Investment income	\$250	
20b	Investment expenses		
20c	Other items and amounts		

	Analysis of N	et In	come (Loss)							
1	Net income	(loss) Combine So	chK li	ne 1 –		(\$598,355)			
	11; Subtract	sum	SchK line 12	2 - 13d	l, and					
	161									
	(i) Corporate		(ii)	(iii)		(iv) Pa	rtnership652		Exempt	(vi) Nominee
			Individual		vidual			org	anization	Other
-			(active)	(pass	sive)					
2a	Analysis	((\$299,178)							
	by General									
	partners									
2b	Analysis		(\$299,177)							
20	by		(\$2)),177)							
	Limited									
	partners									
Sched		nce S	Sheets per B	ooks				1		
			Beginning		ix year		End	of ta	ax year	Write-in / Literal
	Assets		(a)		())	(c)		(d)	
1	Cash								\$75,500	
2a	Trade notes						\$42,5	555		
2b	Less allowar	nce							\$42,555	
3	Inventories								\$2,225,675	
4	U.S. govt ob									
5	Tax-exempt									
	securities									
6	Other curren	nt								
-	assets									
7	Mortgage &	real								
0	estate loan									
8	Other investments									
9a	Bldgs & oth									
Ja	deprec asset						\$501,2	229		
9b	Less accum						φ υυ1 94	/		
	lated deprec						\$100,9	976	\$400,253	
10a	Depletable a								,	
10b	Less accum		_							
	lated depleti									
11	Land									
12a	Intangible as						\$6,0)00		
12b	Less accum									
10	amortization						\$5	500	\$5,500	
13	Other assets								63 740 402	
14	Total assets Liabilities		(a)		а	2)			\$2,749,483	
15	Acco	ninto	(a)		(1	J	(c)		(d)	
13		yable								
	pay	, 0010							\$195,242	
16	Mortg	ages							\$173,242	
10	notes, b									
	payable <									
17	Other cu									
	liabi								\$345,622	
18	All nonreco	ourse							,	
		loans								
19	Mortg									
	notes, b	onds								

	payable > 1yr		
20	Other liabilities		\$2,375,869
20	Partners' capital		\$2,575,803
21	accounts		(\$467,250)
22	Total labilities		(\$407,230)
22	and capital		\$2,749,483
Sched	ule M-1 Reconciliation of Income (Loss)	ner Books With Incom	
Scheu	Line Description	Line Amount	Write-in / Literal
1	Net Income (loss) per books	(\$517,250)	
2	Income included on SchK lines 1, 2, 3c, 5,	(\$011,200)	
-	6a, 7, 8, 9a, 10, 11, not recorded on the		
	books this year (itemized):		
2	Total Income Included		
3	Guaranteed payments (other than health		
	insurance)		
4a	Expenses recorded on books (itemize)		
	Depreciation		
4b	Travel & entertainment	\$600	
4	Total Income Expenses		
5	Add lines $1 - 4$	(\$517,850)	
6a	Income recorded on books (itemize) tax-		
	exempt interest		
6	Total Income Recorded		
7a	Deductions not charged against book		
	(itemize) depreciation	\$80,505	
7	Total Itemized Deductions		
8	Total Income/Deductions		
8	Add lines 6 and 7	\$80,505	
9	Income (loss) (Analysis of net income		
<u> </u>	(loss) line 1). Subtract line 8 from line 5	(\$598,355)	
	ule M-2 Analysis of Partners' Capital Ac	counts	1
1	Balance at beginning of year	<i><i><i><i></i></i></i> <i></i> <i></i> </i> 	
2a	Capital contributed - Cash	\$50,000	
2b	Capital contributed - Property	(0517 350)	
3	Net income (loss) per books	(\$517,250)	
4	Other increases (itemized)	(04(7.250)	
5	Add lines 1 through 4 Distributions – Cash	(\$467,250)	
6a 6h			
6b 7	Distributions – Property Other decreases (itemized)		
7 8			
8	Add lines 6 and 7		
9	Balance at end of year. Subtract line 8 from line 5	(0167 750)	
	nom me s	(\$467,250)	

Form 45	562	Depreciat	ion and Amor	tization		2006			
Name: J	Jennings Boats LLC	•							
Business	s or Activity: Boat Sal	es							
	-0000002								
	Line Description]	Line Amoun	t		Write-in / Li	teral / Attac	nments
Part I	Election to Expense (Certain Pro	perty Under S	Section 179					
1	Maximum amount		•		10	5,000			
2	Total cost of section	179 prop							
3	Threshold cost of sec	tion 179 pro	р		42	0,000			
4	Reduction in limitati	on							
5	Dollar limitation for	TY							
6(a)	Description of Prope	rty							
6(b)	Cost								
6(c)	Elected cost								
7	Listed property								
8	Total elected cost of	sec 179 prop)						
9	Tentative deduction								
10	Carryover of disallow		n						
11	Business income lim	itation							
12	Section 179 expense								
13	Carryover of disallow								
Part II	Special Depreciation		and Other D	epreciation					
14	Special depreciation				\$7	3,490			
15	Property subject to se	ec 168(f)(1)	election						
16	Other depreciation				62	5,392			
Part III	MACRS Depreciat	ion							
17	MACRS deductions				2.74	3,901			
18	Sec 168(i)(4) election	n							
	B – Assets Placed in S		ng 2006 Tax `	Vear Using (he G	eneral	Depreciation	System	
Section	(a)Classification	(b)Mont	(c) Basis	(d)Recover		(e)	(f)Meth	(g)Deprc	Write-in
	of property	h &	for deprec	period	•	Conven	· · ·	deduct	/ Literal
		Year	•	-		on			/ Attach-
									ments
19a	3-year property		\$22,444	3 yrs		HY	200DB	\$7,481	
19b	5-year property		\$1,500	5 yrs		HY	200DB	\$300	
19c	7-year property		\$26,555	7 yrs		HY	200DB	\$3,792	
19d	10-year property								
19e	15-year property								
19f	20-year property								
19g	25-year property						S/L		
19h	Residential rental					MM	S/L		
	property								
19i	Nonresidential real		\$425,600	39 yrs		MM	S/L	\$10,913	
<u>a</u> :•	property			·				· · · · ·	
	C – Assets Placed in S	Service Duri	ng 2006 Tax	Year Using (the A	Iternati	ve Depreciati	on System	
<u>20a</u>	Class life						C/I		
20b	12-year				10	,	S/L		
20c	40-year				MM	1	S/L		
Part IV	Summary				-	- 000			
21	Listed property					5,000			
22	Total				\$10	0,976			
23	Assets for CY								
Part V	Listed Property A – Depreciation and								
a		()then Info	mation						

Form 4	562	Depreciation a	and Am	ortiza	ntion	2006			
24a	Evidence?								
24b	Evidence written?								
25	Special depreciation	allowance							
26(a)	Type of property				2006 Pil	ot			
26(b)	Date in service				07/21/20)6			
26(c)	Business investment	t %			100%				
26(d)	Cost or other basis				\$25,000)			
26(e)	Basis for depreciation	m			\$25,000)			
26(f)	Recovery period				5 Yrs				
26(g)	Method/Convention				200DB-H	Y			
26(h)	Depreciation deduct	ion			\$5,000				
26(i)	Election Sec 179 cos	st							
27(a)	Type of property								
27(b)	Date in service			l					
27(c)	Business investment	t %					1		
27(d)	Cost or other basis						1		
27(e)	Basis for depreciation	m		l					
27(f)	Recovery period						1		
27(g)	Method/Convention								
27(h)	Depreciation deduct	ion							
27(i)	Election Sec 179 cos	st							
28	Add column (h), line	es 25 - 27			\$5,000				
29	Add column (i), line	26							
Section	B – Information on U	Use of Vehicles							
30(a)	Total bus/invest mile	es driven							
31(a)	Total commuting mi								
32(a)	Tot other personal n	niles driven							
33(a)	Total miles driven								
34	Vehicle available fo								
35	Vehicle used $> 5\%$								
36	Another vehicle ava	1							
	C – Questions for Er			ehicl	es for Use l	oy Their	Emp	oloyees	
37	Maint written policy								
38	Maint written policy	1 1	e						
39	Vehicles treated as p								
40	Provide > 5 vehicle?								
41	Qualified auto demo	onstration use?							
Part VI			1						
	(a) Depreciation of costs	(b) Date amort begins	(c) Amo amo	ort	(d) Code section	(e) Amor period percer	or	(f) Amort for this Yr	Write-in / Literal / Attachments
42	Start up	01/01/2006	\$6,0	00	195	5 Yr		\$500	
43	Amort of costs before 2006 TY								
44	Total					\$5	500		
44	1 otal					\$5	000		

Form 4		s Property	2006
	Jennings Boats LLC		
	9-0000002		
	Line Description	Line Amount	Write-in / Literal / Attachments
1	Gross receipts fm sales or exchg		
Part I	Sales or Exchanges of Property Used i	n a Trade or Business	
2(a)	Description of property		
2(b)	Date acquired		
2(c)	Date sold		
2(d)	Gross sales price		
2(e)	Depreciation allowed		
2(f)	Cost or other basis		
2(g)	Gain or (loss)		
3	Gain fm F4684		
4	Sec 1231 gain fm F6252		
5	Sec 1231 gain fm F8824		
6	Gain fm casualty or theft		
7	Combine lines 2 to 6		
8	Nonrecaptured net sec 1231 loss		
9	Subtract line 8 from line 7		
Part II		1	1
10(a)	Description of property		
10(b)	Date acquired		
10(c)	Date sold		
10(d)	Gross sales price		
10(e)	Depreciation allowed		
10(f)	Cost or other basis		
10(g)	Gain or loss		
11	Loss fm line 7		
12	Gain fm line 7		
13	Gain fm line 31		
14	Net gain F4684		
15	Ordinary gain F6252	*A A * *	
16	Ordinary gain F8824	\$9,000	
17	Combine lines 10 to16	\$9,000	
18a	Part of loss F4684		
18b	Redetermined gain or (loss) on line 17		
Part II		aer Sections 1245, 1250, 125	2, 1254 and 1255
19(a)	Description of property		
19(b)	Date acquired		
<u>19(c)</u>	Date sold		
20	Gross sales price		
21	Cost or other basis		
22	Depreciation allowed		
23	Adjusted basis		
24	Total gain		
25a	Depreciation allowed		
25b	Smaller of lines 24 and 25a		
26a	Additional depreciation after 1975		
26b	Applicable %		
26c	Subtract line 26a from line 24		
26d	Additional depreciation after 1969	T	
26	Line Description	Line Amount	Write-in / Literal / Attachments
26e	Smaller of lines 26c and 26c		
26f	Sec 291 amount		
26g	Add lines 26b,26e and 26f		

Form 4	797	Sales of Busines	s Property		2006
27a	Soil, water, land				·
27b	Line 27 multiplied by	applicable %			
27c	Smaller of lines 24 ar	nd 27b			
28a	Intangible drilling				
28b	Smaller of lines 24 ar	id 28a			
29a	Applicable % of payr	nent excluded			
29b	Smaller of lines 24 ar	id 29a			
30	Total gain all property	у		10,000	
31	Add property column	s A – D		10,000	
32	Subtract line 31 from	line 30			
Part IV	Recapture Amount	s Under Sections	179 and 280F(b)(2)		
33(a)	Sec 179 expn ded – S	ec 179			
33(b)	Sec 179 expn ded – S	ec 280F(b)			
34(a)	Recomputed deprc -	Sec 179			
34(b)	Recomputed deprc- S	ec280F(b)			
35(a)	Recapture amount – S	Sec 179			
35(b)	Recapture amount - S	Sec 280F(b)			

Forn	n 8271		r Reporting of Tax Shelter ation Number	2006	
Inves	stor's name shown on retu	ırn: Jenr	ings Boats LLC		
Inves	stor's Identifying number:	69-000	0002		
Inves	stor's tax year ended 12/3	1/2006			
	(a) Tax shelter Name		(b) Tax shelter Registration #		(c) Tax shelter identifying number
1	XYZ Shelter		1111111111		69-2222222
2					
3					
4					
5					
6					
7					
8					
9					
10					

Forn	n 8824 Like-Kind Exchanges	2006
Nam	e: Jennings Boats LLC	
Iden	tifying number: 69-0000002	
1	Description of like-kind property given up	1998 Honda Accord
2	Description of like-kind property received	2006 Pilot
3	Date like-kind property given up was originally acquired (month, day, year)	09/06/1999
4	Date you actually transferred your property to other party (month, day, year)	07/21/2006
5	Date like-kind property you received was identified by written notice to another party (month, day, year)	07/21/2006
6	Date you actually received the like-kind property from other party (month, day, year)	07/21/2006
7	Was exchange of property given up or receivedmade with a related party, either directly orindirectly. If yes, complete Part II. If no, go to PartIII \Box Yes \Box No	NO

Part I	I Related Party Exchange Informatio	n							
8		Relationship to you	Related party's identifying number						
	Address								
9	During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did the related party directly or indirectly (such as through and intermediary) sell or dispose of any								
	part of the like-kind property received from you in the exchange? □Yes □No								
10	During this tax year (and before the da exchange), did you sell or dispose of a □No								
11	If one of the exceptions below applies		cable box:						
	a \square The disposition was after the death								
		$b \square$ The disposition was an involuntary conversion, and the threat of conversion occurred after the exchange							
	$c \square$ You can establish to the satisfaction of the IRS that neither the exchange nor the disposition had tax								
	avoidance as its principal purpose. If box checked, attach an explanation Name shown on tax return:								
	Your social security number"								
Dout I	III Realized Gain or (Loss), Recognized	Cain and Dasis of Like Kind I	Dessived						
r art i	Line Description	Line Amount	Write-in / Literal / Attachments						
12	Fair market Value (FMV) of other pro		write-in / Literal / Attachments						
14	given up	Jerty							
13	Adjusted basis of other property given	au							
13	Gain or (loss) recognized on other prop								
14	given up. Subtract line 13 from line 12	5							
15	Cash received, FMV of other property								
10	received, plus liabilities assumed by ot	her							
	party, reduced (but below zero) by								
	exchange expenses you incurred	\$9,000							
16	FMV of like-kind property your receiv	ed \$30,000							
17	Add lines 15 and 16	\$39,000							
18	Adjusted basis of like-kind property yo	ou la							
	gave up, net amounts paid to other part								
	plus any exchange expenses not used of	n							
	line 15	\$25,000							
19	Realized gain or (loss). Subtract line 1								
	from line 17	\$14,000							
20	Enter smaller of line 15 or line 19	\$9,000							
21	Ordinary income under recapture rules								
22	Enter her on F4797 line 16 Subtract line 21 from lien 20. Enter he	ra							
22	and on Sch D or F4797, unless installn								
	method applies	\$9,000							
23	Recognized gain. Add lines 21 and 22	\$9,000							
23	Deferred gain or (loss). Subtract line 2								
	from line 19.	\$5,000							
25	Basis of like-kind property received.								
	Subtract line 15 from the sum of lines	18							
	and 23	\$25,000							

		e of Income, Dedu	ctions, Credi	ts, etc. 2006
Tax yea	ar beginning January 1, 2006 ending December	31, 2006		T
	Final K-1 🗆			
	Amended K-1			
Part I	Information About the Corporation			Γ
	Line Description	Line Amount		Write-in / Literal / Attachments
Α	Partnership's employer identification number	69-000	0002	
В	Partnership's name, address, city, state, and Zip	Jennings B		
	code	RT 1 Bo		
		Bar Harbor,		
С	IRS Center where corporation filed return	Ogd	en	
D	Check if Publicly traded partnership (PTP)			
Е	Tax shelter registration number, if any			
F	Check if Form 8271 is attached	X		
	Information About the Partner			
G	Partner's Identification number	000-10-		
Н	Partner's name, address, city, state and ZIP code	Horace Jo		
		PO Box		
		Bar Harbor,		
I	□ General partner or LLC member-manager	General parts		
	Limited partner or other LLC member	member-n	nanager	
J	□ Domestic partner			
	Foreign partner	Domestic		
K	What type of entity is this partner?	Indivi	dual	
L	Partner's share of profit, loss and capital	Beginning%	Ending%	
	Profit	0	50	
	Loss	0	50	
	Capital	0	50	
Μ	Partner's share of liabilities at year end:			
	Nonrecourse \$			
	Qualified nonrecourse financing \$			
	Recourse \$		\$2,375,869	
N	Partner's capital account analysis:			
	Beginning capital account \$			
	Capital contributed during the year \$		\$25,000	
	Current year increase (decrease) \$		(\$258,625)	
	Withdrawals & distributions \$			
	Ending capital account \$			
			(\$233,625)	
	\Box Tax basis \Box GAAP \Box Sect 704(b) book			
	□ Other (explain)	Tax B		
Part II	I Partner's Share of Current Year Income, Dec	luctions, Credits, a	and Other Ite	
	Line Description			Write-in / Literal / Attachments
1	Ordinary business income (loss)		(\$354,303)	
2	Net rental real estate income (loss)		, / /	
3	Other net rental income (loss)			
4	Guaranteed payments		\$110,000	
5	Interest income		\$125	
6a	Ordinary dividends			
6b	Qualified dividends			
7	Royalties			
8	Net short-term capital gain (loss)			
9a	Net long-term capital gain (loss)			
9b	Collectibles (28%) gain (loss)			
9c	Unrecaptured section 1250 gain			

10	Net section 1231 gain (loss)		
11	Other income (loss)		
12	Section 179 deduction		
13	Other deductions		
14	Self-employment earnings (loss)	A (\$151,902)	
		C \$2,258,392	
15	Credits & credit recapture	M \$200	
		U \$178	
16	Foreign transactions		
17	Alternative minimum tax (AMT) items		
18	Tax-exempt income & nondeductible expense	C \$300	
19	Distributions		
20	Other Information	A \$125	

Sch K	C-1 (Form 1065)	Partner's Share	of Income, Dedu	ctions, Credi	ts, etc.	2006
Tax ye	ear beginning January 1, 2	006 ending December 3	1, 2006	-		
	Final K-1 □					
	Amended K 🛛					
Part I	Information About the C	Corporation				
	Line Description	•	Line Amount		Write-in / L Attachment	
Α	Partnership's employer i	dentification number	69-000	0002		
В	Partnership's name, add code	ress, city, state, and Zip	Jennings B RT 1 Bo Bar Harbor,	ox 843		
С	IRS Center where corpo	ration filed return	Ogd	en		
D	Check if Publicly traded		6			
Е	Tax shelter registration	number, if any				
F	Check if Form 8271 is a	ttached	X			
Part I	I Information About the I	Partner	•			
G	Partner's Identification r	umber	000-10-	-3332		
Н	Partner's name, address,		4640 Mad	Lionel Colbert 4640 Madison Ln Boston, MA 02109		
Ι	□ General partner or LL □ Limited partner or oth		Limited parts	Limited partner or other LLC member		
J	\Box Domestic partner			ember		
J	\Box Foreign partner		Domostia	nautnau		
V	What type of entity is th	ia north or?	Domestic partner Individual			
K L	Partner's share of profit.					
L	Partner's share of profit.	loss and capital	Beginning%	Ending%		
	Profit		0	50		
	Loss		0	50		
	Capital		0	50		
М	Partner's share of liabili	ties at year end:				
	Nonrecourse \$					
	Qualified nonrecourse f	nancing \$				
	Recourse \$	~		\$2,375,869		
Ν	Partner's capital accoun	t analysis:				
	Beginning capital account \$					
		Capital contributed during the year \$		\$25,000		
	Current year increase (d			(\$258,625)		
	Withdrawals & distribut			· · · · · · · · · · · · · · · · · · ·		
	Ending capital account	\$		(\$233,625)		
	□ Tax basis □ GAAP □ □ Other (explain)	Sect 704(b) book	Tax B	asis		

Part I	Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items				
	Line Description		Write-in / Literal / Attachments		
1	Ordinary business income (loss)	(\$354,302)			
2	Net rental real estate income (loss)				
3	Other net rental income (loss)				
4	Guaranteed payments				
5	Interest income	\$125			
6a	Ordinary dividends				
6b	Qualified dividends				
7	Royalties				
8	Net short-term capital gain (loss)				
9a	Net long-term capital gain (loss)				
9b	Collectibles (28%) gain (loss)				
9c	Unrecaptured section 1250 gain				
10	Net section 1231 gain (loss)				
11	Other income (loss)				
12	Section 179 deduction				
13	Other deductions				
14	Self-employment earnings (loss)	A \$27,500 C \$2,258,391			
15	Credits & credit recapture	M \$200 U \$178			
16	Foreign transactions				
17	Alternative minimum tax (AMT) items				
18	Tax-exempt income & nondeductible expense	C \$300			
19	Distributions				
20	Other Information	A \$125			

TEST SCENARIO 3

FORMS REQUIRED: 1065, Schedule M-3 (Form 1065) 4562, 8865, 1065 SCH K-1 (3), 8865, 8865 SCH O, 8865 SCH P

ATTACHMENTS:

Ordinary Income (Loss) From Other Partnerships, Estates, and Trusts Statement Other Income (Loss) Statement (Form 1065, Line7, Other Income (Loss); Form 1065 Instructions, other Income (Loss) Pg 15) Ownership of Any Interest in Another Partnership or Foreign Entity Statement Section 754 Election

BINARY ATTACHMENTS: None

HEADER INFO:

Tax Period: Calendar Year 2006

Preparer Firm: Electronic Tax Filers, Inc 123 Any Street Anytown, NY 11717

MultipleSoftwarePackagesUsed: Yes or No

Originator: EFIN: Self-select Type: ERO PractionerPIN: EFIN: Self-select PIN: Self-select PIN: Self-select PIN Entered by – ERO

Signature Option: PIN Number

Return Type:

Filer:	EIN: 69-0000003 Name: Carlton Asset Management L P Name Control: CARL Address: 1678 South Hoover Blvd
	San Francisco, CA 94101
Partner:	Name: Tony Carlton Title: President
	Taxpayer PIN: Phone: 555-555-5555
	Email Address: Anymail@email.com DateSigned: 03/15/2006
Preparer:	Name: John Smith SSN: 000-20-0001
	Phone: 631-555-1212
	Email Address: Anymail@email.com
	Date Prepared: 03/14/2006
	Self Employed: No
IRS PAYMENT:	N/A

Details for attachments to Form

Attachment 1, Form 1065, Line 4 (Ordinary Income (Loss) From Other Partnerships, Estates, and Trusts Statement)

Partnership, Estate or	Address	EIN	Trade or	Amount
Trusts Name			Business	
			Activity	
Mai Tai Investments	1-2-3 Ginsu Chuo-Ku	69-0000099	Security	\$10,229,525
	Tokyo, 190-2182		Dealing	

Attachment 2, Form 1065, Page 1, Line 7 (Other Income (Loss) Statement)

Cancellation of Debt	\$540,000	
Services Fees	\$399,880,252	

Attachment 3, Form 1065, Page 1, Line 20 (Itemized Other Deductions Statement)

Legal and Accounting	\$216,572
Bank Fees	\$142,080
Travel and Entertainment	\$40,000

Attachment 4, Form 1065 (Publicly Traded Partnership)

3.5% Publicly Traded Partnership Tax	Overpayment	Balance Due	Zero Liability	Data Stream for Computation
\$14,372,742	0	0	0	Total Income multiplied by 3.5%

Attachment 5, Form 1065, Schedule B, Question 3 (Ownership of Any Interest in Another Partnership or Foreign Entity Statement)

Type of Entity	Entity Name	EIN	Country
Partnership	Mai Tai Partnership	69-0000099	Japan

Attachment 6, Form 1065, Page 2, Schedule B, Line 11 (Section 754 Election)

Name of Partnership	Carlton Asset Management L P
Partnership Address	1678 South Hoover Blvd San Francisco, CA 94101
Section 754 Declaration	Made a section 754 declaration

Attachment 7, Form 1065, Schedule M-3, Part II, Line 8 (Income (loss) From Foreign Partnerships Schedule)

Name	EIN	EOY Profit Sharing Percentage	EOY Loss Sharing Percentage	Income per Income Statement	Amount
Mai Tai Investments	69-0000099	25%	25%	\$10,229,525	\$10,229,525

		nership Income Tax	2006
Calend	ar Year 2006 or tax year beginning 1/1	, 2006, ending 12/31	, 2006
Α	Principal business activity	Management	
В	Principal product or service	Financial Investment	
С	Business code number	523900	
Name	and Address:		
D	Employer Identification number	69-000003	
Е	Date business started	10/23/1998	
F	Total assets	\$5,416,542	
G	Check applicable boxes 1,2,3,4,5		
Н	Check accounting method 1,2,3	Cash	
Ι	Number of Schedule K-1	3	
J	Check if Schedule M-3 Required (attach		
-	Schedule M-3)		
	Line Description	Line Amount	Write-in / Literal / Attachment
1a	Gross receipts or sales		
1b	Less returns and allowances		
1c	Balance		
2	Cost of goods sold (Sch A, line 8)		
3	Gross profit. Subtract line 2 from 1c		
4	Ordinary income or (loss)	\$10,229,525	Attachment 1
5	Net farm profit (loss) F1040	<i> </i>	
6	Net gain (loss) F4797		
7	Other income or (loss)	\$400,420,252	Attachment 2
8	Total income. Add lines 3 through 10	\$410,649,777	Attachment 2
9	Salaries and wages (less employment	\$410,049,777	
,	credits)	\$1,222,990	
10	Guaranteed payments to partners	\$561,900	
10	Repairs and maintenance	\$8,610	
11	Bad debts	\$0,010	
12	Rent	\$729,654	
13	Taxes and licenses	\$871,972	
14	Interest	\$0/1,9/2	
15 16a	Depreciation (attach Form 4562)	£10.422	
	Less depreciation claimed on Sch A	\$19,433	
16b		£10.422	
16c	Total depreciation	\$19,433	
17	Depletion	004E (E0	
18	Retirement plans, etc	\$345,678	
19	Employee benefit programs	#200 / FA	A 44
20	Other deductions	\$398,652	Attachment 3
21	Total deductions (add lines $9-20$)	\$4,158,889	
22	Ordinary business income (loss) (Subtract Line 21 from Line 8	0407 400 000	
School		\$406,490,888	
Schedu	Inventory at beginning of year		
1 2	Purchases less cost of items		
$\frac{2}{3}$	Cost of labor		
4	Additional section 263A costs		
5	Other costs		
6	Total. Add lines 1 - 5		
7	Inventory at the end of year		
8	Cost of goods sold. Subtract Line 7		
0 (*	from 6		
9a (i)	Cost in regulations 1.471-3		
9a (ii)	Lower of cost or market		
9a (iii)	Other		

Form	1065 Test U.S. Return of Part	nership Income Tax	2006
9b	Check if writedown		
9c	Check if the LIFO was adopted		
9d	Section 263A rules apply		
9e	Change in determining quantities, cost,		
	valuations		
Schedu	ule B Other Information		
1a	Domestic general partnership		
1b	Domestic limited partnership	Х	
1c	Domestic limited liability company		
1d	Domestic limited liability partnership		
1e	Foreign partnership		
1f	Other		
2	Any partners in this partnership also	Y	
	partnerships?		
3	Partnership own interest in another	Y	Attachment 5
L	partnership or foreign entity?		
4	Partnership file Form 8893?	Ν	
5a	Partnership total receipts <\$250,000	Ν	
5b	Partnership total assets <\$600,000	Ν	
5c	Filed Schedule K-1 with return?	Ν	
6	Partnership have foreign partners?	Ν	
7	Partnership publicly traded partnership?	Ν	
8	Partnership filed F8264?	Ν	
9	Partnership have an interest in or a	Ν	
	signature, or other authority over		
	financial account in foreign country?		
10	Partnership receive distribution from,	Ν	
	granter of, transferor to foreign trust?		
11	Distribution of property or transfer of	Y	Attachment 6
	partnership interest?		
12	Number of Forms 8865 attached	1	
	Name of designated TMP		
	Identifying number of TMP		
	Address of designated TMP		
	Schedule K Partners' Distributive Share I		
1	Ordinary business income (loss)	\$406,490,888	
2	Net rental real estate income (loss)		
3a	Other gross rental income (loss)		
3b	Other rental activities expenses		
3c	Other net rental income (loss) Subtract		
	Line 3b from 3a	##/ 4 000	
4	Guaranteed payments	\$561,900	
5	Interest Income	\$36,525	
6a	Ordinary dividends		
6b	Qualified dividends		
7	Royalties		
8	Net short-term capital gain (loss)		
9a	Net long-term capital gain (loss)		
9b	Collectibles (28%) gain (loss)		
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)		
11	Other income (loss)	0 10 000	
12	Section 179 deduction	\$43,332	
13a 13b	Contributions		
1110	Investment interest expenses		

Form	1065 Test	U.S. Return of Partne	ership Income Tax	2006
13c	Section 59(e)(2) exp	enditures (type)	•	
13c	Section 59(e)(2) exp			
(2)		· · · ·		
13d	Other deductions			
14a	Net earnings (loss) s	elf employment	\$41,210,989	
14b	Gross farming or fis	hing income		
14c	Gross nonfarm incor	ne	\$365,279,899	
15a	Low-income housing credit 42(j)(5)			
15b	Low-income housing	g credit (other)		
15c	Qualified rehabilitati	on expenditures		
15d	Other rental real esta	te credits		
15e	Other rental credits			
15f	Other credits and cre			
16a	Name of country or			
16b	Gross income from a		\$10,229,525	
16c	Gross income source	ed at		
	partnership level			
16d	Passive			
16e	Listed categories			
16f	General limitation			
16g	Interest expense			
16h	Other			
16i	Passive			
16j	Listed categories			
16k	General limitation			
16l	Total foreign taxes P		\$632,510	
16m	Reduction in taxes a			
16n	Other foreign tax inf			
17a	Post 1986 depreciati			
17b	Adjusted gain or loss			
17c	Depletion (other than			
17d		mal properties-gross		
	income			
17e	Oil, gas, and geother	mal properties-		
150	deductions			
17f	Other AMT items	·		
18a	Tax-exempt interest income			
18b	Other tax-exempt income		M4 444	
18c	Nondeductible expenses		\$1,111	
19a	Distri of cash & mar		\$408,202,737	
19b	Distributions of othe	r property		
20a	Investment income		\$36,525	
20b	Investment expenses			
20c	Other items and amo	ounts		

	Analysis of Net								
1	Net income (lo	oss) Combine S	chK li	ne 1 –					
		ım SchK line 1	2 - 13d	l, and	\$40	6,413,471			
	161								
	(i) Corporate	(ii)	(iii)		(iv) Pa	(iv) Partnership652		Exempt	(vi) Nominee
		Individual		vidual			org	anization	Other
-		(active)	(pass	sive)					
2a	Analysis								
	by General				\$4	0,641,347			
	partners								
2b	Analysis								
20	by								
	Limited		\$4,0	64,134	\$36	51,707,990			
	partners								
Sched		e Sheets per B	ooks		1				
		Beginnin		ax year		End	l of ta	ax year	Write-in /
				•				·	Literal
	Assets	(a)		(t)	(c)		(d)	
1	Cash				222,150			\$6,027,450	
2a	Trade notes					\$42,	555		
2b	Less allowanc	e							
3	Inventories								
4	U.S. govt obli	g							
5	Tax-exempt								
	securities								
6	Other current								
_	assets								
7	Mortgage & re	al							
0	estate loan								
8	Other								
9a	investments Bldgs & other								-
9a	deprec assets	\$1,62	1 740			\$1,682,	950		
9b	Less accumu-	\$1,02	1,740			\$1,002,	/30		
20	lated deprec	\$1,37	2.379	\$2	249,361	\$1,435,	144	\$247,806	
10a	Depletable ass		_,,	φ.		<i><i><i></i></i></i>		¢ 2 17,000	
10b	Less accumu-	<u></u>							
	lated depletion	l							
11	Land								
12a	Intangible asso	ets							
12b	Less accum								
	amortization								
13	Other assets								
14	Total assets				181,751			\$6,275,256	
	Liabilities	(a)		(t)	(c)		(d)	
15	Accour								
	payal			۵.	122 022			\$2 0.40 COF	
16	Montaca	90		\$4	433,823			\$3,049,605	
10	Mortgag notes, bor								
	payable < 1								
17	Other curre								
1/	liabilit								
18	All nonrecou								
	loa							\$540,000	
19	Mortgag			1					

apayable > 1yr state 20 Other liabilities S2,375,869 21 Partners' capital accounts S5,047,928 22 Total liabilities and capital S5,481,751 23 Total liabilities and capital S5,481,751 24 Total liabilities and capital S5,481,751 25 Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return Uncome included on SchK lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, 11, not recorded on the books this year (itemized): State Account Accou		unter hands								
20 Other liabilities S2,375,869 21 Partners' capital accounts \$5,047,928 \$2,685,651 22 Total liabilities and capital accounts \$5,481,751 \$6,275,256 23 Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return Write-in / Literal 1 Net Income included on SchK lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, 11, not recorded on the books this year (itemized): Income included on SchK lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, 11, not recorded on the books this year (itemized): 2 Total Income Included Income included on SchK (itemize) Income included on SchK (itemize) 3 Guaranteed payments (other than health insurance) Income recorded on books (itemize) Income recorded on books (itemize) 4a Expenses recorded on books (itemize) tax-recorded on books (itemize) tax-recorded on books (itemize) tax-recorded on books (itemize) tax-recorded Income recorded against book (itemize) tax-recorded 7a Deductions not charged against book (itemize) tax-recorded Income (loss) (Analysis of net income (loss) line 1, 5 stord) 8 Add lines 6 and 7 Image: Stord 7, 5 stord		notes, bonds								
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3 Net income (loss) per books \$405,850,460 4 Other increases (itemized) 5 5 Add lines 1 through 4 \$410,888,388 6a Distributions - Cash \$408,202,737	2b	Capital contributed -	Property							
5 Add lines 1 through 4 \$410,888,388 6a Distributions - Cash \$408,202,737	3					\$405,850,460				
6a Distributions - Cash \$408,202,737	4									
6a Distributions - Cash \$408,202,737	5	Add lines 1 through	4			\$410,888,388				
	6a	Distributions - Cash								
6b Distributions – Property	6b	Distributions – Prope	erty							
7 Other decreases (itemized)			mized)							
8 Add lines 6 and 7		Add lines 6 and 7								
9 Balance at end of year. Subtract line 8	9		ar. Subtract line	8						
from line 5 \$2,685,651		from line 5				\$2,685,65 1				

Form S	chedule M-3 (1065) Net	Income (Loss) Reconciliation for	or Certain Partnerships
Name:	Carlton Asset Management L P		
EIN: 69	9-0000003		
	Line Description	Line Amount / Information	Write-in / Literal
Α	Total Assets End Of Tax Year is		
	Equal to \$10 million or more		
	Adjusted Total Assets For Year is		
В	Equal to \$10 million or more		
	Total Receipts For Taxable Year is		
С	Equal to \$35 million or more	X	
	An Entity that is a Reportable Entity		
D	Partnerdeemed to own interest 50		
D E	percent or more		
	Voluntary Filer	(Lass) Deconsiliation	
Part I	Financial Information and Net Income	(Loss) Reconciliation	
1a	Did Partnership File SEC Form 10- K	Yes	
14	Did Partnership Prepare Certified	1 05	
1b	Audited Income Statement		
1.0	Did Partnership Prepare Income		
1c	Statement		
2a	Beginning Income Statement Period	01/01/2006	
2a	Ending Income Statement Period	12/31/2006	
	Has Partnership's Income Statement		
2b	Been Restated	No	
	Has Partnership's Income Statement		
	Been Restated For Any Of Five		
2c	Statement Periods	No	
	Worldwide Consolidated Net		
3	Income (Loss)	\$405,850,460	
4	Net Income From Nonincludible		
4 a	Foreign Entities		
4 a	Nonincludible Foreign Entity Schedule		
4 a	Net Income Nonincludible Foreign		
4b	Entities		
10	Nonincludible Foreign Entity		
4b	Schedule		
	Net Income From Nonincludible		
5a	U.S. Entities		
	Net Income From Nonincludible US		
5b	Entities		
5b	Nonincludible US Entity Schedule		
6a	Other Includible Entities Schedule		
	Net Loss Of Other Nonincludible		
6b	Entries		
6b	Other Includible Entities Schedule		
	Adjustment To Eliminations Of		
7	Transactions Between Partnership And Nonincludible Entities		
1	Partnership And Nonincludible		
	Entities Transaction Adjustment		
7	Schedule		
,	Adjustment to reconcile income		
8	statement period		
8	adjustment to reconcile income		
-		1	- F

Form Sc	chedule M-3 (1065)	Net	Inc	ome (Loss) Rec	conciliation for	r Certain Partnei	rships
	schedule						
9	Other adjustments						
	Reconciled other adjustm	ents					
9	schedule						
10	Net income (Loss)			\$405,850),460		
	e M-3 (Form 1065) 2006 Pa						
PART I	I RECONCILIATION O			E (LOSS) PER E (LOSS) PER		ATEMENT OF I	PARTNERSHIP
		(a) Income (loss) per Income St	e	(b) Temp Difference	(c) Perm Difference	(d) Income (loss) per Tax Return	Write-in / Literal
	Income (Loss) From						
	Equity Method Foreign						
1	Corporations						
	Gross Foreign Dividends Not Previously Taxed						
2	Temporary Difference						
3	Subpart F, QEF, And Similar Income Inclusions						
-	Gross Foreign						
	Distributions Previously						
4	Taxed						
-	Income (Loss) From Equity Method U.S.						
5	Corporations						
6	U.S. Dividends						
	Income (Loss) From			Ī			
7	U.S. Partnerships						
8	Income (Loss) From Foreign Partnerships	\$10,229,52	25			\$10,229,525	Attachment 7
	Income (Loss) From						
	Other Pass-Through						
9	Entities						
	Items Relating To		_				
10	Reportable Transactions			ļ	ļ		
11	Interest Income						
	Total Accrual To Cash						
12	Adjustment						
13	Hedging Transactions						
	Mark-To-Market Income						
14	(Loss)	ļ		ļ			
15	Cost Of Goods Sold	ļ					
16	Sale Versus Lease		_				
	Section 481(a)			1			
17	Adjustments						
18	Unearned/Deferred Revenue						
	Income Recognition						
10	From Long-Term						
19	Contracts	-					
20	OID Discount And Other						
20	Imputed Interest						
	Income Statement						
	gain/lossother than						
21.5	Inventory and Pass-						
21a	Through Entities						

Form S	chedule M-3 (1065)	Net Inco	ome (Loss) Reco	onciliation for	· Certain Partner	ships
	Gross Capital Gains					
21b	From Schedule D					
	Gross Capital Losses					
21c	From Schedule D					
	Net Gain/Loss Reported					
21d	on Form 4797					
21e	Abandonment Losses					
21f	Worthless Stock Losses					
	Other Gain/Loss On					
21g	Disposition Of Assets					
	Other Income (Loss)					
22	Items With Differences					
	Total Income (Loss)					
23	Items	\$10,229,525			\$10,229,525	
	Total Expense/Deduction					
24	Items	\$2,222		\$563,011	\$563,011	
	Other Income (Loss)					
	And Expense/Deduction					
25	Items	\$395,618,713			\$395,620,935	
26	Reconciliation Totals	\$405,850,460		\$563,011	\$406,413,471	

Schedule M-3 (Form 1065) 2006 Page 3

PART III RECONCILIATION OF NET INCOME (LOSS) PER INCOME STATEMENT OF PARTNERSHIP WITH INCOME (LOSS) PER RETURN – EXPENSE/DEDUCTION ITEMS

	Equity-based				1
1	compensation				
	Meals and				
2	Entertainment	\$2,222	\$1,111	\$1,111	
3	Fines and Penalties	<i>\$=,===</i>	<i>Q</i> IJIII	<i><i><i>ψ</i>1,111</i></i>	
4	Judgments, damages				
5	Guaranteed Payments		\$561,900	\$561,900	
5	Pension And Profit-		\$501,700	\$501,900	
6	Sharing				
U	Other Post-Retirement				
7	Benefits				
1					
	Deferred				
8	Compensation				
0	Charitable				
	Contribution Of Cash				
9	And Tangible Property				
,	Charitable				
	Contribution Of Cash				
	And Intangible				
10	Property				
-	Organizational				
	Expenses as per 1.709-				
11	2(a)				
	Organizational				
	Expenses as per 1.709-				
12	2(b)				
	Current Year				
	Acquisition/Reorganiz				
	ation Investment				
13	Banking Fees				

	Current Year				
	Acquisition/Reorganiz				
	ation Investment				
14	Accounting Fees				
1.	Amortization/Impairm				
15	ent Of Goodwill				
	Amortization Of				
	Acquisition,				
10	Reorganization, And				
16	Start-Up Costs				
17	Other Amortization Or				
17	Impairment Write-Offs				
	Section 198				
10	Environmental				
18	Remediation Costs				
19	Depletion				
20	Depressistion				
20	Depreciation				
21	Bad Debt Expenses				
22	Interest Expense				
23	Purchase Versus Lease				
	Domestic Production				
24	Activities Deduction				
	Other				
	Expenses/Deduction				
	Items With				
25	Differences				
	Total				
	Expenses/Deduction				
26	Items	\$2,222	\$563,011	\$563,011	

Form 4			ion and Am	ortization	2006				
	Carlton Asset Manag								
	s or Activity: Carlton	Asset Mana	gement LP						
EIN: 69	-0000003								
	Line Description			Line Amount		Wri	te-in / Lite	ral / Attac	hments
Part I	Election to Expense	Certain Prop	perty Under	Section 179					
1	Maximum amount				105,000				
2	Total cost of section								
3	Threshold cost of sec		р		420,000				
4	Reduction in limitati					1			
5	Dollar limitation for								
6(a)	Description of Prope	rty		Office Equipn					
<u>6(b)</u>	Cost				\$23,456				
<u>6(c)</u>	Elected cost			T	\$23,456				
<u>6(a)</u>	Description of Prope	rty		Furniture/fixt					
6(b)	Cost				\$19,876				
<u>6(c)</u>	Elected cost				\$19,876				
7	Listed property	aaa 170			042.222				
<u>8</u> 9	Total elected cost of Tentative deduction	sec 1/9 prop			\$43,332				
<u>9</u> 10	Carryover of disallow	und daduation	12		\$43,332				
10	Business income lim		11		\$105,000				
11 12	Section 179 expense				\$43,332				
12	Carryover of disallov		n		943,332				
Part II	Special Depreciation			Depreciation					
14	Special depreciation			Depreciation					
15	Property subject to se		election						
16	Other depreciation				\$\$434				
Part III	1	ion							
17	• •				¢10.000	İ			
	MACRS deductions				\$18,999				
18 Section	Sec 168(i)(4) election B – Assets Placed in S		na 2006 Tar	. Voor Hoing th	o Conoral	Dony	aciation S-		
Section				(d)	(e)	Depr			Write-in
	(a) Classification of	(b) Month	(c) Basis for	Recovery	Conver	tion	(f) Method	(g) Deprc	/ Literal
	property	& Year	deprec	period				deduct	/ Attach-
	FF5		F	P • • • • • •					ments
19a	3-year property								
19b	5-year property								
19c	7-year property								
19d	10-year property								
19e	15-year property								
19f	20-year property								
19g	25-year property								
19h	Residential rental								
	property								
19i	Nonresidential real								
G	property		0 007 T	X 7 X 7 • · · ·			• •	G	
	C – Assets Placed in S	Service Duri	ng 2006 Tax	x Year Using th	e Alterna	tive D	epreciatio	n System	
20a	Class life					0/7			
20b	12-year					S/I			
20c	40-year				MM	S/I			
Part IV	v					i			
21	Listed property								

Form 45	562	Depreciation a	and Amorti	zation	2006		
22	Total	· •			\$19,433		
23	Assets for CY				<i>,</i>		
Part V	Listed Property		•				
Section	A – Depreciation and	d Other Informat	tion				
24a	Evidence?						
24b	Evidence written?						
25	Special depreciation	allowance					
26(a)	Type of property						
26(b)	Date in service						
26(c)	Business investment	t %					
26(d)	Cost or other basis						
26(e)	Basis for depreciation	on					
26(f)	Recovery period						
26(g)	Method/Convention						
26(h)	Depreciation deduct						
26(i)	Election Sec 179 co	st					
27(a)	Type of property						
27(b)	Date in service						
27(c)	Business investment	t %					
27(d)	Cost or other basis						
27(e)	Basis for depreciation	on					
27(f)	Recovery period						
27(g)	Method/Convention						
27(h)	Depreciation deduct						
27(i)	Election Sec 179 co						
28	Add column (h), lin						
29	Add column (i), line						
	B – Information on l						
30(a)	Total bus/invest mil						
31(a)	Total commuting m						
32(a)	Tot other personal n	niles driven					
33(a)	Total miles driven	1 0					
34	Vehicle available fo						
35	Vehicle used > 5% '		0				
36	Another vehicle ava					•	
	C – Questions for En			cies for Use	by Their En	ipioyees	
37 38	Maint written policy						
	Maint written policy		e				
39 40	Vehicles treated as p Provide > 5 vehicle						
40 41	Qualified auto demo						
41 Part VI	~	instration use?					
I art VI	(a)Depreciation	(b) Date	(c) Amor	t (d)Cod	(e)Amort	(f)Amort	Write-in / Literal /
	of costs	amort begins	amount		period or	for this	Attachments
				section	percent	Yr	
42							
43	Amort of costs						
	before 2006 TY						
44	Total						

Form	8865 Return of U.S Partnerships	. Persons with Respect to Certai	n Foreign 2006
Tax ve	ear beginning 1/1 , 2006 ending	12/31 , 2006	
	Carlton Asset Management LP	,	
EIN: (69-0000003		
Addres	ss: 1678 S Hoover Blvd San Francisco,	CA 94101	
	Line Description	Line Amount / Information	Write-in / Literal / Attachments
A	Category of filer	3	
B	Filer's TY beginning and ending	01/01/2006	
	Filer's share of liabilities –		
С	Nonrecourse	12/31/2006	
	Filer's share of liabilities –		
С	Qualified nonrecourse	\$4,800,000	
С	Filer's share of liabilities - Other		
D	Name, Address, EIN		
E(1)	Name		
E(2)	Address		
E(3)	Identifying number		
E(4)	Check applicable box		
F1	Name and address of foreign partnership	Mai Tai Investments 1-2-3 Ginsu, Chuo-Ku Tokyo, 190-2182	
F1 F2	EIN if any	69-000099	
F2 F3	Country under laws organized	<u> </u>	
<u>F3</u> F4	Date of organization	09/30/1992	
F5	Principal place of business		
<u>F5</u>	Principal business activity code	Japan 523110	
<u>го</u> F7	*		
	Principal business activity	Security Dealing	
F8a	Functional currency	Yen	
F8b	Exchange rate	.8739	
G1	Name, Address, EIN	E 0004	
G2	Foreign partnership must file	Form 8804	
G3	Name, address of foreign agent		
G4	Name, address of person w/ custody of books and location		
G5	Special allocation made	No	
<u>G6</u>	Number of F8858		
G7	How is partnership classified	Partnership	
<u>G8</u>	Owned separate units	No	
<u>G9</u>	Meet both requirements	No	
	rer's SSN or PTIN: 000-30-0007	110	1
		ic Tax Filers, Inc	
	rer's EIN: N/A	• • • • • • • • • • • • • • • • • • •	
	rer's Phone no.: 631-555-1212		
	ule A Constructive Ownership of Par	tnershin Interest	
Jeneu	Check boxes that apply (a, b)	A	
	Name	Carlton Asset Management	
	Address	1678 S Hoover Blvd San Francisco, CA 94101	
	Identifying number	69-000003	
		09-0000000	
	Foreign person	NT -	
Cal - 1	Direct partner	No No	
sched	ule A-1 Certain Partners of Foreign	r arthersmp	1
	Name Address		
	Address		
	Identifying number	1	

Form 8865		Return of U.S. Persons with Respect to Certain Foreign Partnerships		2006					
Foreign person									
Schedule A-2 Affiliation Schedule									
	Name								
	Address								
	EIN								
	Total ordinary incom	ie							
	Foreign partnership								
Schedule B Income Statement – Trade or Business Income									
1a	Gross receipts								
1b	Less return and allow	vances							
1c	Net gross receipts or	sales							
2	Cost of good sold								
3	Gross profit								
4	Ordinary income								
5	Net farm profit								
6	Net gain (loss)								
7	Other income								
8	Total income								
9	Salaries and wages								
10	Guaranteed payment	s to prtnrs							
11	Repairs and mainten								
12	Bad debts								
13	Rent								
14	Taxes and licenses								
15	Interest								
16a	Depreciation								
16b	Less depreciation								
16c	Net depreciation								
17	Depletion								
18	Retirement plans								
19	Employee benefits pr	rograms							
20	Other deductions	U							
21	Total deductions								
22	Ordinary business in	come							
	ule D Capital Gains			1					
			es - Assets Held One Year or Les	S					
1(a)	Description of proper								
1(b)	Date acquired	•							
1(c)	Date sold								
1(d)	Sales price								
1(e)	Cost or other basis								
1(f)	Gain or loss								
2	Short-term capital ga	in fm F6252							
3	Short-term capital ga								
4	Prntshp share of sho								
5	Net short-term gain								
Part I		Gains and Lass	es - Assets Held More Than One	Year					
6(a)	Description of proper								
6(b)	Date acquired	- J		1					
6(c)	Date sold			1					
6(d)	Sales price			1					
6(e)	Cost or other basis								
6(f)	Gain or loss			+					
7	Long-term capital ga	in fm F6252							
1	Long-term capital ga	ш ші годэд	1						

Form	8865 Return of U.S Partnerships	n Foreign	2006							
8	Long-term capital gain fm F8824									
9	Prntshp share of long-term gain									
10	Capital gain distribution									
11	Net long-term gain									
Schedu	hedule K Partners Distributive Share Items									
	Line Description Line Amount / Information Write-in / Literal									
1	Ordinary business income (loss)									
2	Net rental real estate income									
3a	Other gross rental income (loss)									
3b	Expenses fm other rent activities									
3c	Other net rental income (loss)									
4	Guaranteed payments									
5	Interest income									
6a	Ordinary dividends									
6b	Qualified dividends									
7	Royalties									
8	Net short-term capital gain									
9a	Net long-term capital gain									
9b	Collectibles									
9c	Unrecaptured section 1250 gain									
10	Net section 1231 gain									
11	Other income									
12	Sec 179 deduction									
13a	Contributions									
13b	Investment income exp									
13c1	Sec 59(e) type									
13c2	Sec 59(e) amount									
13d	Other deductibles									
14a	Net earnings									
14b	Gross farm income									
14c	Gross non farm income									
15a	Low-income housing credit									
15b	Low-income other									
15c	Qualified rehab expenditures									
15d	Other rental real estate credit									
15e	Other rental credits									
15f	Other credits and recapture									
16a	Name of country									
16b	Gross income all sources									
16c	Gross income sources									
16d	Passive									
16e	Listed categories									
16f	General limitation									
16g	Interest expense									
16h	Other									
16i	Passive									
16j 16k	Listed categories General limitation									
<u>16к</u> 16l	Total foreign tax									
161 16m	Reduction in taxes									
16m 16n	Other foreign tax									
10n 17a	Post-1986 depreciation									
17a 17b	Adjusted gain/loss									
170 17c	Depletion									
1/0	Depiction									

Form	8865	Return of U Partnership		Respect to Certai	n Foreign 20	06
17d	Oil, gas and geothe					
17e	Oil, gas and geothe	ermal - ded				
17f	Other AMT items					
18a	Tax-exempt incom	ne				
18b	Other tax-exempt i	income				
18c	Nondeductible exp					
19a	Distribution of cas	h				
19b	Distribution of oth	er property				
20a	Investment income					
20b	Investment expens					
20c	Other items and an					
	ule L Balance Shee		ot required if O	G9, page 1, is ansy	vered "Yes.")	
		Beginning of ta			tax year	Write-in / Literal
		(a)	(b)	(c)	(d)	
1	Cash	~ /				
2a	Trade notes					
2b	Less allowance					
3	Inventories					
4	U.S. govt oblig					
5	Tax-exempt					
-	securities					
6	Other current assets					
7	Mortgage & real					
0	estate loan					
8	Other					
0	investments					
9a	Bldgs & other					
01	deprec assets Less accumu-					
9b						
10.2	lated deprec					
<u>10a</u> 10b	Depletable assts					
100	Less accumu-					
11	lated depletion Land					
11 12a	Intangible assets					
12a 12b	Less accum					+
	amortization					
13	Other assets					
14	Total assets					
15	Accounts payable					
16	Mortgages, notes, bonds payable < 1yr					
17	Other current liabilities					
18	All nonrecourse					
10	loans					
19	Mortgages,					
	notes, bonds payable > 1yr					
20	Other liabilities					
21	Prnt Cap stock					

Form	8865	Return of U.S.	Persons with Respect to Certai	n Foreign	2006
		Partnerships	ľ	8	
22	Total liabil/cap	^			
Sched	ule M Balance Sl	heets for Interest A	llocation	•	·
	Line Description		Line Amount / Information	Write-in /] Attachmen	
1(a)	Total U.S. assets -	Beginning			
1(b)	Total U.S. assets -	End			
2(a)	Passive income cat	t – Beginning			
2(b)	Listed categories -	End			
2(c)	Gen limitation inco	ome – Beginning			
2(c)	Gen limitation inco	ome – End			
Sched	ule M-1 Reconcil	liation of Income (Loss) per Books With Income (I	Loss) per Retu	rn
1	Net Income				
2	Income included or	n Sch K			
3	Guaranteed payme	nts			
4a	Depreciation				
4b	Travel & entertain	ment			
4	Expenses recorded	on books			
5	Add lines $1 - 4$				
6a	Tax-exempt interes	st			
6	Income recorded of	n books			
7a	Depreciation				
7	Deductions include	ed on Sch K			
8	Add lines 6 & 7				
9	Income (loss) Subt	ract ln 8 from 5			
Sched	ule M-2 Analysis	of Partners Capit	al Accounts		
1	Balance at beg of y	/ear			
2a	Capital contrib. – C	Cash			
2b	Capital contrib. – H				
3	Net Income (loss)				
4	Other increases – in	temized			
5	Add lines $1 - 4$				
6a	Distributions – Cas	sh			
6b	Distributions – Pro	perty			
7	Other decreases - i	item			
8	Add lines 6 – 7				
9	Balance at end of y	vear. Subtract line			
	8 from line 5				

		of Income, Dedu	ctions, Credi	ts, etc. 2006
Tax	year beginning January 1, 2006 ending Decembe	r 31, 2006		Γ
	Final K-1	_		
	Amended K-1			
Part	I Information About the Corporation			
	Line Description	Line Amount		Write-in / Literal / Attachments
A	Partnership's employer identification number	69-000	0003	
B	Partnership's name, address, city, state, and Zip	Carlton		
	code	Managem		
		1678 S Hoo		
~		San Francisco		
<u>C</u>	IRS Center where corporation filed return	Ogd		
D	Check if Publicly traded partnership (PTP)	X		
E	Tax shelter registration number, if any Check if Form 8271 is attached	_		
F Deret				
	II Information About the Partner	(0.200	0001	
G H	Partner's Identification number	69-300		
Н	Partner's name, address, city, state and ZIP code	XYZ Man 7272 W Tru	ıman Ave	
		Sacramento,		
Ι	□ General partner or LLC member-manager	General part		
	□ Limited partner or other LLC member	member-n	nanager	
J	Domestic partner	р		
V	□ Foreign partner	Domestic		
K I	What type of entity is this partner?	Partne	rsnip	
L	Partner's share of profit, loss and capital	Baginnin 20/	Endina ^{0/}	
	Profit	Beginning%	Ending%	
	Loss	10	10	
	Capital	10	10	
M	Partner's share of liabilities at year end:	10	10	
1VI	Nonrecourse \$		\$54,000	
	Qualified nonrecourse financing \$		\$ 34,000	
	Recourse \$			
N	Partner's capital account analysis:			1
- 1	Beginning capital account \$		\$503,793	
	Capital contributed during the year \$		4000,170	
	Current year increase (decrease) \$		\$40,585,046	
	Withdrawals & distributions \$		<u>40,820,274</u>)	
	Ending capital account \$	(4	·,···/	
	6		\$268,565	
	□ Tax basis □ GAAP □ Sect 704(b) book		/	
	□ Other (explain)	Sect 704(1	b) book	
Part	III Partner's Share of Current Year Income, D			Items
	Line Description			Write-in / Literal / Attachments
1	Ordinary business income (loss)		\$40,649,089	
2	Net rental real estate income (loss)			
3	Other net rental income (loss)			
4	Guaranteed payments		\$561,900	
5	Interest income		\$3,653	
6a	Ordinary dividends			
6b	Qualified dividends			
7	Royalties			
8	Net short-term capital gain (loss)			
9a	Net long-term capital gain (loss)			
9b	Collectibles (28%) gain (loss)			

9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)		
11	Other income (loss)		
12	Section 179 deduction	\$4,333	
13	Other deductions		
14	Self-employment earnings (loss)	A \$4,121,099	
		C \$36,527,990	
15	Credits & credit recapture		
16	Foreign transactions	A Japan	
		B \$1,022,953	
		D \$1,022,953	
		L \$63,251	
17	Alternative minimum tax (AMT) items		
18	Tax-exempt income & nondeductible expense	C \$111	
19	Distributions	A \$40,820,274	
20	Other Information	A \$3,653	

	K-1 (Form 1065) Partner's Share		ctions, Credi	ts, etc. 2006
Tax	year beginning January 1, 2006 ending Decembe	r 31, 2006		
	Final K-1 🗆	_		
	Amended K 🗆			
Part	I Information About the Corporation			
	Line Description	Line Amount		Write-in / Literal / Attachments
Α	Partnership's employer identification number	69-000	0003	
B	Partnership's name, address, city, state, and Zip	Carlton	Asset	
	code	Managem	ent L P	
		1678 S Hoo	ver Blvd	
		San Francisco	o, CA 94101	
С	IRS Center where corporation filed return	Ogd	en	
D	Check if Publicly traded partnership (PTP)	X		
E	Tax shelter registration number, if any			
F	Check if Form 8271 is attached			
Part	II Information About the Partner			
G	Partner's Identification number	69-300	0002	
Н	Partner's name, address, city, state and ZIP code	ABC Inve		
		93 E Oa		
		Los Angeles,		
Ι	□ General partner or LLC member-manager	Limited partr		
	Limited partner or other LLC member	LLC me	ember	
J	□ Domestic partner			
	Foreign partner	Domestic		
K	What type of entity is this partner?	Partne	rship	
L	Partner's share of profit, loss and capital			
	- ~	Beginning%	Ending%	
	Profit	89	89	
	Loss	89	89	
	Capital	89	89	
Μ	Partner's share of liabilities at year end:			
	Nonrecourse \$		\$480,600	
	Qualified nonrecourse financing \$			
	Recourse \$			
N	Partner's capital account analysis:			
	Beginning capital account \$		\$4,483,756	
	Capital contributed during the year \$	-		
	Current year increase (decrease) \$		361,206,909	
	Withdrawals & distributions \$	(\$3	63,300,436)	
	Ending capital account \$		MA A AA A AA	
		-	\$2,390,229	
	\Box Tax basis \Box GAAP \Box Sect 704(b) book	Sec. 4 70.40	h) host-	
Dert	□ Other (explain)	Sect 704(/	Itoma
rart	III Partner's Share of Current Year Income, D	euuciions, Credit	is, and Other	Write-in / Literal /
	Line Description			Attachments
1	Ordinary huginage income (loge)	L C	361 776 000	Attachiments
<u>1</u> 2	Ordinary business income (loss)	•	361,776,890	
	Net rental real estate income (loss)	+		
3	Other net rental income (loss)			
4	Guaranteed payments		\$27 507	
5	Interest income		\$32,507	
<u>6a</u>	Ordinary dividends			
<u>6b</u>	Qualified dividends	+		
7	Royalties			
8	Net short-term capital gain (loss)			l
<u>9a</u> 9b	Net long-term capital gain (loss) Collectibles (28%) gain (loss)			

9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)		
11	Other income (loss)		
12	Section 179 deduction	\$38,565	
13	Other deductions		
14	Self-employment earnings (loss)	A \$36,677,780	
		C \$325,099,110	
15	Credits & credit recapture		
16	Foreign transactions	A Japan	
		B \$9,104,277	
		D \$9,104,277	
		L \$562,934	
17	Alternative minimum tax (AMT) items		
18	Tax-exempt income & nondeductible expense	C \$989	
19	Distributions	A \$363,300,436	
20	Other Information	A \$32,507	

		of Income, Dedu	ctions, Credi	ts, etc. 2006
Tax	year beginning January 1, 2006 ending Decembe	er 31, 2006		
	Final K-1			
	Amended K 🗆			
Part	I Information About the Corporation			
	Line Description	Line Amount		Write-in / Literal / Attachments
Α	Partnership's employer identification number	69-000	0003	
В	Partnership's name, address, city, state, and Zip code	Carlton Managem 1678 S Hoo San Francisco	ient Lp ver Blvd	
С	IRS Center where corporation filed return	Ogd		
D	Check if Publicly traded partnership (PTP)	X		
E	Tax shelter registration number, if any			
F	Check if Form 8271 is attached	_		
	II Information About the Partner	I		1
G	Partner's Identification number	000-20-	0001	
H	Partner's name, address, city, state and ZIP code	Tony Ca 4819 S 19 San Francisco	arlton 900 W	
Ι	General partner or LLC member-manager	Limited partn		
T	□ Limited partner or other LLC member	LLC me		
J	□ Domestic partner	Domostia	nartnar	
v	□ Foreign partner What type of entity is this partner?	Domestic Individ		
K L	Partner's share of profit, loss and capital		1081	
L	raturer's share of profit, loss and capital	Baginnin-0/	Ending0/	
	Profit	Beginning%	Ending%	
	Loss	1	<u> </u>	
	Capital	1	<u> </u>	
Μ	Partner's share of liabilities at year end:	1	1	1
IVI	Nonrecourse \$		\$5,400	
	Qualified nonrecourse financing \$		\$ 5,400	
	Recourse \$			
N	Partner's capital account analysis:			
N	Beginning capital account analysis:		\$50,379	
	Capital contributed during the year \$		\$30 ,3 79	
	Current year increase (decrease) \$		\$4,058,505	
	Withdrawals & distributions \$		<u>\$4,058,505</u> \$4,082,027)	
	Ending capital account \$	+'	ψ -1,002,027	
			\$26,857	
	□ Tax basis □ GAAP □ Sect 704(b) book		ψ =0,00 7	
	$\Box \text{ Other (explain)} \qquad \Box \text{ Sect } 704(0) \text{ book}$	Sect 704(1)) book	
Part	III Partner's Share of Current Year Income, D			· Items
	Line Description			Write-in / Literal / Attachments
1	Ordinary business income (loss)		\$4,064,909	
2	Net rental real estate income (loss)		, , ,	
3	Other net rental income (loss)			
4	Guaranteed payments			
5	Interest income		\$365	
6a	Ordinary dividends			
	Qualified dividends			
6b				
7	Royalties			
6b 7 8				

9b	Collectibles (28%) gain (loss)		
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)		
11	Other income (loss)		
12	Section 179 deduction	\$433	
13	Other deductions		
14	Self-employment earnings (loss)	A \$412,110	
		C \$3,652,799	
15	Credits & credit recapture		
16	Foreign transactions	A Japan	
		B \$102,295	
		D \$102,295	
		L \$6,325	
17	Alternative minimum tax (AMT) items		
18	Tax-exempt income & nondeductible expense	C \$11	
19	Distributions	A \$4,082,027	
20	Other Information	A \$365	

Form S	ch O (8	865)		Trans	fer of Property	to a Foreig	n Partnership)	2006	
		feror: Carlton				0	•			
EIN: 6	9-00000	03			•					
Name o	of Foreig	gn Partnership	: Mai	Tai In	vestments					
		r Reportable U	Jnder S	Section	1 6038B					
Type of Property		(a) Date of transfer	(b) Numl of ite transf	ms	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Section 704(c) allocation method	(f) Gain recognit on tran	ized	(g) Percentage interest in partnership after transfer
Cash										
Marketa securitie	es									
Invento Tangibl property	e	08/08/2006	4	4	\$12,345	\$16,000				25
Intangit property Other	ole y									
property Suppler Informa Require	nental tion ed To		<u> </u>							
Be Rep		···		J C .	-1' (020D					
Part II		itions Reportal Description	ble Un		Amount		Write-in /I	itoral / /	ttaal	monto
(a) (b)	Туре о	f property f original transf	- Cor	Line	Amount		write-in /1	Alteral / P	Attaci	Iments
(b) (c) (d)	Date of	f disposition r of disposition								
(u) (e)		ecognized by								
(f)	recogn	ciation recapture ized by partner	ship							
(g) (h)	Deprec	llocated to participation recapture ed to partner								
Part II			ed und	er sect	ion 904(f)(3) or	• section 904	(f)(5)(F)?			
1 11 11		No Checkbox	unu	seet	No					

Form Sch P (8	2006				
Name of Person	n filing Form 88	865: Carlton	Asset Manag	gement L P	
EIN: 69-0000	003				
Name of Foreig	gn Partnership:	Mai Tai Inve	estments		
Part I Acquisi	itions				
(a) Name, Address and ID number of person	(b) Date of Acquisition	(c) Fair market value of interest acquired	(d) Basis of interest acquired	(e) Percentage of interest before acquisition	(f) Percentage of interest after acquisition
Mai Tai Investments 1-2-3 Ginsu, Chuo-Ku Tokyo, 190- 2182 69-0000099	08/08/2006	\$12,345	\$16,000	0	25

Part II Dispos	itions				
(a) Name, Address and ID number of person	(b) Date of Acquisition	(c) Fair market value of interest acquired	(d) Basis of interest acquired	(e) Percentage of interest before acquisition	(f) Percentage of interest after acquisition
Part III Chan	ge in Proportio	nal Interest			
(a) Desc of Change	(b) Date of Change	(c) FMV of Interest	(d) Basis in Interest	(e) Percentage of interest before change	(f) Percentage of interest after change

Part IV Supplemental Information Required to be Reported				

TEST SCENARIO 4

FORMS REQUIRED:

1065, 4562, 4797, 8308,1065 Sch D, 1065 Sch K-1 (3), Form 8453-PE, DEPENDENCIES

ATTACHMENTS:

Other Income (Loss) Statement Itemized Other Deductions Statement Itemized Section 263A Costs Schedule Inventoriable Costs Paid Schedule Section 754 Election Partnership's Charitable Contributions Statement Other AMT Items Statement Schedule L Other Current Assets Statement Schedule L Other Assets Statement Schedule L Other Current Liabilities Statement

BINARY ATTACHMENTS: Scanned Form 8453-PE (8453 Signature Document)

HEADER INFO:

Tax Period: Calendar Year 2006

Preparer Firm	Electronic Tax Filers, Inc	69-0000004
	1065 Efile Drive	
	Anytown, OR 97201	

MultipleSoftwarePackagesUsed: Yes or No

EFIN: Self-select
Type: ERO
PractionerPIN: None
PIN Entered by – N/A

Signature Option: Binary Attachment 8453 Signature Document

Return Type: 1065

Filer:	EIN: 69-0000004 Name: Eastlands Quarries Name Control: EAST Address: 2313 Jackson Ave Portland, OR 97208
Partner:	Name: Jonathan Teak
	Title: President
	Taxpayer PIN:
	Phone: 555-555-5555
	Email Address: Anymail@email.com
	DateSigned: 04/11/2006
Preparer:	Name: John Smith
-	SSN: 000-20-1212
	Phone: 555-555-5555
	Email Address: Anymail@email.com
	Date Prepared: 04/11/2006
	Self Employed: No
IRS PAYMENT:	N/A

Details for attachments to Form

Attachment 1, Form 1065, Page 1, Line 7 (Other Income (Loss) Statement)

Miscellaneous 36,522

Attachment 2, Form 1065, Page 1 Line 20 (Itemized Other Deductions Statement)

Amortization	441,924
Insurance	75,606
Professional Fees	583,204
Miscellaneous	213,470

Attachment 3, Form 1065, Page 2, Schedule A, Line 4 (Itemized Section 263A Costs Schedule)

Rent	50,000
Utilities	24,212

Attachment 4, Form 1065, Page 2, Schedule A, Line 5 (Inventoriable Costs Paid Schedule)

Professional Fees	19,360
Utilities	1,321,610
Miscellaneous	225,142
Cost of Goods Sold	1,552,601

Attachment 5, Form 1065, Page 2, Schedule B, Line 11 (Section 754 Election)

Name of Partnership	Eastlands Quarries
Partnership Address	2313 Jackson Ave Portland, OR 97208
Section 754 Declaration	Made a section 754 declaration

Attachment 6, Form 1065, Page 3, Schedule K, Line 13a (Partnership's Charitable Contributions Statement)

Type of Contribution	50% Cash Contribution
Amount	3,000

Attachment 7, Form 1065, Page 3, Schedule K, Line 17f (Other AMT Items Statement)

Stream (Length: 100,000 Characters)	This is where you place your
	other AMT items information.

Attachment 8, Form 1065, Page 4, Schedule L, Line 6b and 6d (Schedule L Other Current Assets Statement)

Туре	BOY Amount	EOY Amount
Prepaid Insurance	105,000	105,000
Deposit	45,000	20,000

Attachment 9, Form 1065, Page 4, Schedule L, Line 13b and 13d (Schedule L Other Assets Statement)

Туре	BOY Amount	EOY Amount
Other Assets	387,000	411,000

Attachment 12, Form 1065, Page 4, Schedule L, Line 17 (Schedule L Other Current Liabilities Statement)

Туре	BOY Amount	EOY Amount
Accrued Payroll	793,542	801,250
Accrued Profit Sharing	377,622	486,135

	1065 Test U.S. Return of Part		2006
Calend	ar Year 2006 or tax year beginning	/ / 0 /	2006
Α	Principal business activity	Quarries	
В	Principal product or service	Crushed Stone	
С	Business code number	212310	
Name	and Address: Eastlands Quarries 2313 Ja	ckson Portland, OR 972	208
D	Employer Identification number:	69-000004	
Е	Date business started	03/29/2002	
F	Total assets	28,234,548	
G	Check applicable boxes 1,2,3,4,5		
Н	Check accounting method 1,2,3	Accrual	
J	Check if Schedule M-3 Required (attach		
	Schedule M-3)		
Ι	Number of Schedule K-1	3	
	Line Description	Line Amount	Write-in / Literal / Attachment
1a	Gross receipts or sales	\$15,200,800	
1b	Less returns and allowances	\$115,470	
1c	Balance	\$15,085,330	
2	Cost of goods sold (Sch A, line 8)	\$7,000,000	
3	Gross profit. Subtract line 2 from 1c	\$8,085,330	
4	Ordinary income or (loss)		
5	Net farm profit (loss) F1040		
6	Net gain (loss) F4797	\$37,400	
7	Other income or (loss)	\$36,522	Attachment 1
8	Total income. Add lines 3 through 10	\$8,159,252	
9	Salaries and wages (less employment		
	credits)	\$550,000	
10	Guaranteed payments to partners		
11	Repairs and maintenance	\$3,120,512	
12	Bad debts	\$11,411	
13	Rent	\$486,634	
14	Taxes and licenses	\$262,140	
15	Interest	\$38,106	
16a	Depreciation (attach Form 4562)	\$1,552,601	
16b	Less depreciation claimed on Sch A	\$1,552,601	
16c	Total depreciation	0	
17	Depletion	\$653,121	
18	Retirement plans, etc	\$53,721	
19	Employee benefit programs	\$287,416	
20	Other deductions	\$1,314,204	Attachment 2
21	Total deductions (add lines 9 – 20)	\$6,777,265	
22	Ordinary business income (loss) (Subtract		
~ -	Line 21 from Line 8	\$1,381,987	
Schedu			
1	Inventory at beginning of year	\$1,372,320	
2	Purchases less cost of items	\$1,512,263	
3	Cost of labor	\$2,130,412	A 44 - share end 2
4	Additional section 263A costs	\$74,212	Attachment 3
5	Other costs	\$3,118,713	Attachment 4
6	Total. Add lines 1 - 5	\$8,207,920	
7	Inventory at the end of year	\$1,207,920	
8	Cost of goods sold. Subtract Line 7 from	\$7,000,000	
0	6 Continuoulatione 1.471.2		
9a (i)	Cost in regulations 1.471-3		
9a (;;)	Lower of cost or market	V	
(ii)		X	

Form	1065 Test U.S. Return of Part	nership Income Tax	2006
9a	Other		
(iii)			
9b	Check if writedown		
9c	Check if the LIFO was adopted		
9d	Section 263A rules apply	Yes	
9e	Change in determining quantities, cost,	No	
	valuations		
	Schedule	B Other Information	
1a	Domestic general partnership		
1b	Domestic limited partnership		
1c	Domestic limited liability company	X	
1d	Domestic limited liability partnership		
1e	Foreign partnership		
1f	Other		
2	Any partners in this partnership also partnerships?	No	
3	Partnership own interest in another partnership or foreign entity?	No	
4	Partnership file Form 8893?	No	
5a	Partnership total receipts <\$250,000	No	
5b	Partnership total assets <\$600,000	No	
5c	Filed Schedule K-1 with return?	No	
6	Partnership have foreign partners?	No	
7	Partnership publicly traded partnership?	No	
8	Partnership filed F8264?	No	
9	Partnership have an interest in or a	No	
	signature, or other authority over		
	financial account in foreign country?		
10	Partnership receive distribution from, granter of, transferor to foreign trust?	No	
11	Distribution of property or transfer of	Yes	Attachment 5
	partnership interest?		
12	Number of Forms 8865 attached		
	Name of designated TMP		
	Identifying number of TMP		
	Address of designated TMP		
	Schedule K Partners' Distributive Share I		
1	Ordinary business income (loss)	\$1,381,987	
2	Net rental real estate income (loss)		
3a	Other gross rental income (loss)		
3b	Other rental activities expenses		
		1	
3c	Other net rental income (loss) Subtract		
	Line 3b from 3a		
4	Line 3b from 3a Guaranteed payments	<u>614 667</u>	
4 5	Line 3b from 3a Guaranteed payments Interest Income	\$14,225	
4 5 6a	Line 3b from 3a Guaranteed payments Interest Income Ordinary dividends	\$14,225	
4 5 6a 6b	Line 3b from 3a Guaranteed payments Interest Income Ordinary dividends Qualified dividends	\$14,225	
4 5 6a 6b 7	Line 3b from 3a Guaranteed payments Interest Income Ordinary dividends Qualified dividends Royalties		
4 5 6a 6b 7 8	Line 3b from 3a Guaranteed payments Interest Income Ordinary dividends Qualified dividends Royalties Net short-term capital gain (loss)	\$2,300	
4 5 6a 6b 7 8 9a	Line 3b from 3a Guaranteed payments Interest Income Ordinary dividends Qualified dividends Royalties Net short-term capital gain (loss) Net long-term capital gain (loss)		
4 5 6a 6b 7 8 9a 9b	Line 3b from 3a Guaranteed payments Interest Income Ordinary dividends Qualified dividends Royalties Net short-term capital gain (loss) Net long-term capital gain (loss) Collectibles (28%) gain (loss)	\$2,300	
4 5 6a 6b 7 8 9a 9b 9c	Line 3b from 3a Guaranteed payments Interest Income Ordinary dividends Qualified dividends Royalties Net short-term capital gain (loss) Net long-term capital gain (loss) Collectibles (28%) gain (loss) Unrecaptured section 1250 gain	\$2,300 \$ (2500)	
4 5 6a 6b 7 8 9a 9b 9c 10	Line 3b from 3a Guaranteed payments Interest Income Ordinary dividends Qualified dividends Royalties Net short-term capital gain (loss) Net long-term capital gain (loss) Collectibles (28%) gain (loss) Unrecaptured section 1250 gain Net section 1231 gain (loss)	\$2,300	
4 5 6a 6b 7 8 9a 9b 9c 10 11	Line 3b from 3a Guaranteed payments Interest Income Ordinary dividends Qualified dividends Royalties Net short-term capital gain (loss) Net long-term capital gain (loss) Collectibles (28%) gain (loss) Unrecaptured section 1250 gain Net section 1231 gain (loss) Other income (loss)	\$2,300 \$ (2500)	
4 5 6a 6b 7 8 9a 9b 9c 10 11 12	Line 3b from 3a Guaranteed payments Interest Income Ordinary dividends Qualified dividends Royalties Net short-term capital gain (loss) Net long-term capital gain (loss) Collectibles (28%) gain (loss) Unrecaptured section 1250 gain Net section 1231 gain (loss) Other income (loss) Section 179 deduction	\$2,300 \$ (2500) \$ (56,500)	Attachment 6
4 5 6a 6b 7 8 9a 9b 9c 10 11	Line 3b from 3a Guaranteed payments Interest Income Ordinary dividends Qualified dividends Royalties Net short-term capital gain (loss) Net long-term capital gain (loss) Collectibles (28%) gain (loss) Unrecaptured section 1250 gain Net section 1231 gain (loss) Other income (loss)	\$2,300 \$ (2500)	Attachment 6

Form	1065 Test U.S. Return of Par	rtnership Income Tax		2006
13c	Section 59(e)(2) expenditures (type)			
13c	Section 59(e)(2) expenditures (amount)			
(2)				
13d	Other deductions			
14a	Net earnings (loss) self employment	\$1,344,587		
14b	Gross farming or fishing income	\$1,011,007		
140 14c	Gross nonfarm income	\$13,856,213		
15a	Low-income housing credit 42(j)(5)	\$13,030,213		
15a 15b	Low-income housing credit (20)(5)			
150 15c	Qualified rehabilitation expenditures			
	Other rental real estate credits			
15d	Other rental credits			
15e				
15f	Other credits and credit recapture			
16a	Name of country or U.S. possession	_		
16b	Gross income from all sources	_		
16c	Gross income sourced at			
	partnership level			
16d	Passive			
16e	Listed categories			
16f	General limitation			
16g	Interest expense			
16h	Other			
16i	Passive			
16j	Listed categories			
16k	General limitation			
16l	Total foreign taxes Paid □ Accrued □			
16m	Reduction in taxes available for credit			
16n	Other foreign tax information			
17a	Post 1986 depreciation adjustment	\$ (199,426)		
17b	Adjusted gain or loss	\$ (15,622)		
17c	Depletion (other than oil and gas)	\$619,783		
17d	Oil, gas, and geothermal properties-gross	· · · · · · · · · · · · · · · · · · ·		
	income			
17e	Oil, gas, and geothermal properties-			
	deductions			
17f	Other AMT items	\$ (22,101)	Attachment 7	
18a	Tax-exempt interest income			
18b	Other tax-exempt income			
18c	Nondeductible expenses			
19a	Distri of cash & marketable securities	\$1,900,000		
19b	Distributions of other property	, , , , , , , , , , , , , , , , , , , ,		
20a	Investment income	\$14,225		
20b	Investment expenses			
20c	Other items and amounts			
1	Analysis of Net Income (Loss)			
1	Net income (loss) Combine SchK line 1 –	\$1,336,512		
-	11; Subtract sum SchK line 12 - 13d, and			
	161			
	(i) Corporate (ii) (iii)	(iv) Partnership	(v) Exempt	(vi) Nominee
	Individual Individual		organization	Other
	(active) (passive)		Danie and Di	
2a	Analysis \$735,082			
	by			
	General			
	partners			
	Paratoro	1	l	

Form	1065 Test	U.S. Retu	rn of Part	nership In	come Tax	20	06
2b	Analysis		601,430				
	by						
	Limited						
	partners						
Schee	dule L Balance Sl	heets per Bool					T
		Beginning of	f tax year	year End of tax year		Write-in / Literal	
	Assets	(a)		(b)	(c)	(d)	
1	Cash			\$375,120		\$1,530,820	
2a	Trade notes	\$1,140,1			\$1,353,2		
2b	Less allowance			1,140,165		\$1,353,242	
3	Inventories		\$1	1,372,320		\$1,207,920	
4	U.S. govt oblig						
5	Tax-exempt securities						
6	Other current						
	assets			\$150,000		\$125,000	Attachment 8
7	Mortgage & real						
	estate loan						
8	Other						
	investments						
9a	Bldgs & other						
	deprec assets	\$9,327,8	11		\$9,526,7	41	
9b	Less accumu-						
	lated deprec	\$1,426,3		7,901,497	\$1,523,3		
10a	Depletable assts	\$7,246,1	87		\$7,312,5	47	
10b	Less accumu-						
	lated depletion	\$246,1		7,000,000	\$375,6		
11	Land			\$747,000		\$737,000	
12a	Intangible assets	\$7,926,2	16		\$7,926,2	16	
12b	Less accum						
	amortization			7,926,216		\$7,926,216	
13	Other assets			\$387,000		\$411,000	Attachment 9
14	Total assets		\$2	5 ,999,318		\$28,234,548	
	Liabilities	(a)		(b)	(c)	(d)	
15	Accounts	(a)		(*)		(u)	1
15	payable		\$	1,000,000		\$1,200,000	
16	Mortgages,			-,,		<i>\\</i> , <i>\\</i> 00,000	1
10	notes, bonds						
	payable < 1yr						
17	Other current						1
-	liabilities		\$	1,171,164		\$1,287,385	Attachment 10
18	All nonrecourse			, ,			
	loans						
19	Mortgages,						
	notes, bonds						
	payable > 1yr		\$3	3,000,000		\$2,500,000	
20	Other liabilities						
21	Partners' capital						
	accounts		\$2	1,828,154		\$23,247,163	
22	Total labilities						
	and capital		\$20	5,999,318		\$28,234,548	

Sched	ule M-1 Reconciliation of Income (Loss)		
	Line Description	Line Amount	Write-in / Literal
1	Net Income (loss) per books	\$3,319,009	
2	Income included on SchK lines 1, 2, 3c, 5,		
	6a, 7, 8, 9a, 10, 11, not recorded on the		
•	books this year (itemized):		
2	Total Income Included		
3	Guaranteed payments (other than health		
	insurance)		
4 a	Expenses recorded on books (itemize)		
41	Depreciation	#13 000	
4b	Travel & entertainment	\$12,000	
4	Total Income Expenses		
5	Add lines 1 – 4	\$3,331,009	
6a	Income recorded on books (itemize) tax-		
	exempt interest-depreciation		
6a	Income recorded on books (itemize) tax-		
	exempt interest-depreciation		
7a	Deductions not charged against book		
_	(itemize) depreciation	\$1,487,612	
7a	Deductions not charged against book	A=0 < 00=	
_	(itemize)-depletion	\$506,885	
7	Deductions not charged against book	\$1,994,497	
8	Add lines 6 and 7	\$1,994,497	
9	Income (loss) (Analysis of net income		
	(loss) line 1). Subtract line 8 from line 5	\$1,336,512	
	ule M-2 Analysis of Partners' Capital Ac		
1	Balance at beginning of year	\$21,828,154	
2a	Capital contributed - Cash		
2b	Capital contributed - Property		
3	Net income (loss) per books	\$3,319,009	
4	Other increases (itemized)		
5	Add lines 1 through 4	\$25,147,163	
6a	Distributions – Cash	\$1,900,000	
6b	Distributions – Property		
7	Other decreases (itemized)		
8	Add lines 6 and 7	\$1,900,000	
9	Balance at end of year. Subtract line 8		
	from line 5	\$23,247,163	

	1562	Depreciat	ion and Amo	rtization	2006			
Name:	Eastland Quarry							
	ss or Activity: Quarrie	es						
EIN: 6	9-0000004							
	Line Description			Line Amount Write-in / L			teral / Atta	chments
Part I	Election to Expense	Certain Pro	operty Under	Section 179				
1	Maximum amount				105,000			
2	Total cost of section							
3	Threshold cost of sec	1	р		420,000			
4	Reduction in limitation							
5	Dollar limitation for							
6(a)	Description of Proper	rty						
6(b)	Cost							
6(c)	Elected cost							
7	Listed property	. = 0						
8	Total elected cost of	sec 179 prop)					
9	Tentative deduction	111						
10	Carryover of disallow		n					
11	Business income limit							
12	Section 179 expense							
13	Carryover of disallow			D				
Part II			e and Other	Depreciation	1			
14 15	Special depreciation		alastian		182,157			
15	Property subject to se Other depreciation	c 108(1)(1)	election					
Part II		tion						
17		uon						
	MACRS deductions				1,370,000			
18	Sec 168(i)(4) election							
Section	B – Assets Placed in							
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	Write-in /
	Classification of	Month & Year	Basis for			N /	D	T ! 4 1 /
	property		dommoo	Decovery	Con-	Method	Deprc	Literal /
		& I Cal	deprec	Recovery	vention	Method	Deprc deduct	Attach-
		& I Cal	deprec	Recovery period		Method		
19a	3-year property	a rear	deprec	•		Method		Attach-
19a 19b	3-year property 5-year property			period	vention		deduct	Attach-
19b	5-year property		55,260	period 5 Yrs	vention HY	200DB	deduct 11,052	Attach-
	5-year property 7-year property			period	vention		deduct	Attach-
19b 19c	5-year property 7-year property 10-year property		55,260	period 5 Yrs	vention HY	200DB	deduct 11,052	Attach-
19b 19c 19d	5-year property 7-year property		55,260	period 5 Yrs	vention HY	200DB	deduct 11,052	Attach-
19b 19c 19d 19e 19f	5-year property 7-year property 10-year property 15-year property		55,260	period 5 Yrs	vention HY	200DB	deduct 11,052	Attach-
19b 19c 19d 19e	5-year property 7-year property 10-year property 15-year property 20-year property		55,260	period 5 Yrs	vention HY	200DB 200DB	deduct 11,052	Attach-
19b 19c 19d 19e 19f 19g	5-year property 7-year property 10-year property 15-year property 20-year property 25-year property		55,260	period 5 Yrs	vention HY HY	200DB 200DB	deduct 11,052	Attach-
19b 19c 19d 19e 19f 19g	5-year property 7-year property 10-year property 15-year property 20-year property 25-year property Residential rental property (a)	(b)	55,260 322,560	period 5 Yrs	vention HY HY MM (e)	200DB 200DB 200DB S/L S/L S/L (f)	deduct 11,052 46,062 (g)	Attach- ments
19b 19c 19d 19e 19f 19g	5-year property 7-year property 10-year property 15-year property 20-year property 25-year property Residential rental property (a) Classification of	(b) Month	55,260 322,560 (c) Basis for	period 5 Yrs 7 Yrs	vention HY HY MM (e) Con-	200DB 200DB 200DB S/L S/L S/L	deduct 11,052 46,062 (g) Deprc	Attach- ments
19b 19c 19d 19e 19f 19g	5-year property 7-year property 10-year property 15-year property 20-year property 25-year property Residential rental property (a)	(b)	55,260 322,560	period 5 Yrs 7 Yrs (d) Recov- ery	vention HY HY MM (e)	200DB 200DB 200DB S/L S/L S/L (f)	deduct 11,052 46,062 (g)	Attach- ments
19b 19c 19d 19e 19f 19g	5-year property 7-year property 10-year property 15-year property 20-year property 25-year property Residential rental property (a) Classification of	(b) Month	55,260 322,560 (c) Basis for	period 5 Yrs 7 Yrs (d) Recov-	vention HY HY MM (e) Con-	200DB 200DB 200DB S/L S/L S/L (f)	deduct 11,052 46,062 (g) Deprc	Attach- ments
19b 19c 19d 19e 19f 19g	5-year property 7-year property 10-year property 15-year property 20-year property 25-year property Residential rental property (a) Classification of	(b) Month	55,260 322,560 (c) Basis for	period 5 Yrs 7 Yrs (d) Recov- ery	vention HY HY MM (e) Con-	200DB 200DB 200DB S/L S/L S/L (f)	deduct 11,052 46,062 (g) Deprc	Attach- ments
19b 19c 19d 19e 19f 19g 19h	5-year property 7-year property 10-year property 15-year property 20-year property 25-year property Residential rental property (a) Classification of property	(b) Month	55,260 322,560 (c) Basis for	period 5 Yrs 7 Yrs (d) Recov- ery	vention HY HY MM (e) Con- vention	200DB 200DB 200DB S/L S/L (f) Method	deduct 11,052 46,062 (g) Deprc	Attach- ments
19b 19c 19d 19e 19f 19g	5-year property 7-year property 10-year property 15-year property 20-year property 25-year property Residential rental property (a) Classification of property Nonresidential real	(b) Month	55,260 322,560 (c) Basis for	period 5 Yrs 7 Yrs (d) Recov- ery	vention HY HY MM (e) Con-	200DB 200DB 200DB S/L S/L S/L (f)	deduct 11,052 46,062 (g) Deprc	Attach- ments
19b 19c 19d 19e 19f 19g 19h	5-year property 7-year property 10-year property 15-year property 20-year property 25-year property Residential rental property (a) Classification of property Nonresidential real property	(b) Month & Year	55,260 322,560 (c) Basis for deprec	period 5 Yrs 7 Yrs (d) Recov- ery period	vention HY HY MM (e) Con- vention MM	200DB 200DB 200DB S/L S/L (f) Method	deduct 11,052 46,062 (g) Deprc deduct	Attach- ments
19b 19c 19d 19e 19f 19g 19h 19h 19h 5ection	5-year property 7-year property 10-year property 15-year property 20-year property 25-year property Residential rental property (a) Classification of property Nonresidential real property C – Assets Placed in	(b) Month & Year	55,260 322,560 (c) Basis for deprec	period 5 Yrs 7 Yrs (d) Recov- ery period	vention HY HY MM (e) Con- vention MM	200DB 200DB 200DB S/L S/L (f) Method	deduct 11,052 46,062 (g) Deprc deduct	Attach- ments
19b 19c 19d 19e 19f 19g 19h 19h 19h 5ection 20a	5-year property 7-year property 10-year property 15-year property 20-year property 25-year property Residential rental property (a) Classification of property Nonresidential real property C – Assets Placed in Class life	(b) Month & Year	55,260 322,560 (c) Basis for deprec	period 5 Yrs 7 Yrs (d) Recov- ery period	vention HY HY MM (e) Con- vention MM	200DB 200DB 200DB S/L S/L (f) Method S/L S/L	deduct 11,052 46,062 (g) Deprc deduct	Attach- ments
19b 19c 19d 19e 19f 19g 19h 19h 19h 5ection	5-year property 7-year property 10-year property 15-year property 20-year property 25-year property Residential rental property (a) Classification of property Nonresidential real property C – Assets Placed in	(b) Month & Year	55,260 322,560 (c) Basis for deprec	period 5 Yrs 7 Yrs (d) Recov- ery period	vention HY HY MM (e) Con- vention MM	200DB 200DB 200DB S/L S/L (f) Method	deduct 11,052 46,062 (g) Deprc deduct	Attach- ments

Form	4562	Deprecia	tion and A	mortizatio	n	2006			
Part I									
21	Listed property					12,630			
22	Total				1.4	552,601			
23	Assets for CY								
	V Listed Propert	v							
	on A – Depreciatio		formation						
24a	Evidence?			Yes					
24b	Evidence written	n?		Yes					
25	Special deprecia								
26	Property used m		a qualified	business u	ise:				
-	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
		Date placed	Busines	Cost or	Basis	Reco	Method	Depreci	Elected
	Type of	in service	s/invest	other	for	very	convention	ation	section
	Property		ment	basis	deprici	Perio		deducti	179 cost
			use %		ation	d		on	
	2006 Envoy	02/16/2006	100	42,600	42,600	5 Yrs	200 DB/HY	8,520	
	2006 Honda								
	Civic SI	01/01/2006	100	20,550	20,550	5 Yrs	200 DB/HY	4,110	
27	Property used 5	0% or less in a q	ualified bus	iness use:					
28	Add column (h)	,						12,630	
29	Add column (i),	line 26							
Sectio	on B – Information	on Use of Vehi	icles						
30	Total bus/invest								
31	Total commutin								
32	Tot other persor								
33	Total miles driv								
34	Vehicle availabl		se?						
35	Vehicle used > :								
36	Another vehicle	avail for person	al use?						
	on C – Questions fo			e Vehicles	for Use l	oy Their <mark>I</mark>	Employees		
37	Maint written po			Yes					
38	Maint written po			Yes					
39	Vehicles treated		?	Yes					
40	Provide > 5 veh			Yes					
41	Qualified auto d	emonstration us	e?	No					
Part V		1							
	(a)	(b)	(c)	(d		(e)	(f)	Write-in /	
	Depreciation	Date amort	Amort			Amort	Amort	Attachr	nents
	of costs	begins	amoun	t sect		eriod or	for this		
						percent	Yr		
42		4 h o 4 h o							
42 am	ortization of costs		<u> </u>				10 411		
	Development Cost	06/30/2006	104,106	291	5 Y	rs	10,411		
43	Amort of costs						431,513		
	before 2006								
	TY								
44	Total						441,924		
			1				1		

Form 4	4797	Sales of 1	Business P	rope	erty			2006	
Name:	Eastland Quarry								
EIN: 6	9-0000004								
	Line Description				Line Amou	nt	Write-in / I	Literal / Atta	chments
1	Gross receipts fm sale	s or exchg	5						
Part I	Sales or Exchanges of	Property	Used in a	Tra			Γ		
	Line Description				Line Amou		Write-in / Lit		1
	Description of	Date	-		Gross sal	e	Depreciation		Gain or
	property	acquire			price		allowed	other basis	loss
	(a)	(b)	(0	:)	(d)		(e)	(f)	(g)
2	Stone Crusher	01/01/0	04 06/3	0/05	162,372		37,128	260,000	(60,500)
									(**,***)
	Line Description				Line Amou	nt	Write-in / Lit	eral / Attach	ments
3(g)	Gain fm F4684								
4(g)	Sec 1231 gain fm F62:	52							
5(g)	Sec 1231 gain fm F882								
6(g)	Gain fm casualty or th				4,0)00			
7(g)	Combine lines 2 to 6				(56,5	00)			
8(g)	Nonrecaptured net sec	1231 loss	5			_			
9(g)	Subtract line 8 from lin	ne 7							
Part II	Ordinary Gains and	Losses							
	Line Description				Line Amou	nt	Write-in / Lit	eral / Attach	ments
	Description of	Date	Da	ite	Gross sal	e	Depreciation	Cost or	Gain or
	property	acquire			price		allowed	other	loss
	(a)	(b)	(0	:)	(d)		(e)	basis	(g)
10			1 1 1 1		11.4 1.16			(f)	
10	Ordinary gains and los	es not inc	luded on li	ines	11 through 16		i	- i	i
	Line Description				I in a Amou		Write in / I it	anal / Attach	monto
11	Line Description Loss fm line 7				Line Amou	nι	Write-in / Lit	eral / Attach	ments
11	Gain fm line 7								
12	Gain fm line 31				37,4	100			
14	Net gain F4684				57,	100			
15	Ordinary gain F6252								
16	Ordinary gain F8824								
17	Combine lines 10 to16				37,4	100			
18a	Part of loss F4684								
18b	Redetermined gain or	(loss) on	line 17						
Part II				· Sec	tions 1245, 125	0, 12	252, 1254 and 1	255	
	Description of prop		Date		Date sold				
	(a)	5	acquire	d	(c)				
			(b)						
19a	Machinery & Equipr		01/01/20		06/01/2006				
19b	Machinery & Equipr	nent	01/30/20	06	06/30/2006				
19c									
19d									
		Prope		Pro	operty B	Pr	operty C I	Property D	
20	Gross Sale price		70,000		13,000				
21	Cost or other basis		82,000		9,000				
22	Depreciation allowed		44,000		5,400				
23	Adjusted basis	_	38,000		3,600				
24	Total gain		32,000		9,400				
25a	Depreciation allowed		44,000		5,400				

Form	4797	Sales of Business P	roperty				2006
25b	Smaller of lines 24 and 25a	1 32,000		5,400			
26a	Additional depreciation after 1973	5					
26b	Applicable %						
26c	Subtract line 26a from line 24						
26d	Additional depreciation after 1969	9					
26e	Smaller of lines 26c and 26c						
26f	Sec 291 amount						
26g	Add lines 26b,26e and 26f						
27a	Soil, water, land						
27b	Line 27 multiplied by applicable %						
27c	Smaller of lines 24 and 27b	1					
28a	Intangible drilling						
28b	Smaller of lines 24 and 28a	1					
29a	Applicable % of payment excluded						
29b	Smaller of lines 24 and 29a	1					
	Line Description		Line A	mount		Write-in	/ Literal / Attachments
30	Total gain all property				1,400		
31	Add property columns				7,400		
32	Subtract line 31 from l				4,000		
Part I	V Recapture Amounts	Under Sections 17	9 and 28				
				(a) Sectio	n 179	(b) S	Section 280F(b)(2)
33	Sec 179 expense dedu		1				
34	Recomputed depreciat	ion					
35	Recapture amount						

Form 8308	Report of a Sale or Exchange of Certain Partnership Interests	2006			
Name of Partnership: Eastland (Juarry				
Telephone number: 555-555-555	5				
Employer identification number:	69-0000004				
Number, street, and room or suite	2313 Jackson Portland, OR 97208				
Part I - Transferor Information	1				
Name: Peter Teak					
Identifying number: 000-30-0001					
Number and street: 34 West Was	shington Ave				
City or town: Salt Lake City UT	84100				
Part II - Transferor Information	n				
Name: Joseph Spruce					
Identifying number: 000-00-0002					
Number and street: 5421 North 2	2100 South				
City or town: San Jose, CA 95101					
Part III - Date of Sale or Exchan	nge of Partnership Interest: 07/01/2006				

Sch D (1065) Test 1	Capita	l Gains and Lo	sses			2006
Name:	Eastland Quarry						
EIN:	69-000004						
Part I	Short-Term Capital Gain	ns & Losses					
	Description of property	Date	Date	Sale		Cost or	Gain or
		acquired	sold	price		other basis	loss
	(a)	(b)	(c)	(d)		(e)	(f)
1	100 Shares ABC	04/01/2006	09/30/2006	5,	,000	2,700	2,300
	Line Description			Line Amount		Write-in/Lite	eral
2	Short-term capital gain fr	om installment	sales (F6252)				
3	Short-term capital gain fr	om like-kind ex	chgs (F8824)				
4	Partnership share of net s	hort-term capita	l gain (loss)				
5	Net short-term capital gai	n or loss. Comb	oine lines 1-4	2.	,300		
Part II	Long-Term Capital Gai	ns & Losses		•		•	
	Description of property	Date	Date	Sale	C	ost or other	Gain or
		Acquired	sold	price		basis	loss
	(a)	(b)	(c)	(d)		(e)	(f)
6	1 Acre of Land	08/01/2003	01/21/2006	7,500		10,000	(2,500)
	Line Description			Line Amount	Wr	ite-in/Literal	
7	Long-term capital gain (le F6252, line 26 or 37	oss) from install	ment sales				
8	Long-term capital gain (le from F8824	oss) from like-k	ind exchanges				
9	Partnership share of net le	ong-term capital	l gain (loss)				
10	Capital gain distributions	· •					
11	Net long-term capital gain	n or loss. Comb	ine lines 6-10	(2500)			

	K-1 (Form 1065) Partner's Share o			dits, etc. 2006
Tax	year beginning January 1, 2006 ending Dece	mber 31, 2000	6	r
	Final K-1	-		
	Amended K-1			
Part	I Information About the Corporation			
	Line Description	Line Amou	nt	Write-in / Literal / Attachments
A	Partnership's employer identification number	69-00	00004	
B	Partnership's name, address, city, state, and	Eastland	l Quarry	
	Zip code		kson Ave	
			OR 97208	
С	IRS Center where corporation filed return	Og	den	
D	Check if Publicly traded partnership (PTP)			
E	Tax shelter registration number, if any			
F	Check if Form 8271 is attached			
Part	II Information About the Partner			
G	Partner's Identification number		0-0003	
Н	Partner's name, address, city, state and ZIP		an Teak	
	code		s Avenue	
			OR 97208	
Ι	□ General partner or LLC member-manager		l partner or	
_	Limited partner or other LLC member	LLC memb	er-manager	
J	□ Domestic partner	_		
	□ Foreign partner	Dome	estic partner	
K	What type of entity is this partner?		Individual	
L	Partner's share of profit, loss and capital	Beginning %	6 Ending%	
	Profit	55	55	
	Loss	55	55	
	Capital	55	55	
Μ	Partner's share of liabilities at year end:			
	Nonrecourse \$			
	Qualified nonrecourse financing \$			
	Recourse \$		2,500,000	
Ν	Partner's capital account analysis:			
	Beginning capital account \$		12,005,484	
	Capital contributed during the year \$			
	Current year increase (decrease) \$		1,825,455	
	Withdrawals & distributions \$		(1,045,000)	
	Ending capital account \$		12,785,939	
	\Box Tax basis \Box GAAP \Box Sect 704(b) book			
_	□ Other (explain)		704(b) book	
Part	III Partner's Share of Current Year Income	e, Deductions,	, Credits, and	
	Line Description			Write-in / Literal /
1				Attachments
1	Ordinary business income (loss)		760,093	
2	Net rental real estate income (loss)			
3	Other net rental income (loss)			
4	Guaranteed payments		=	
5	Interest income		7,824	
<u>6a</u>	Ordinary dividends			
<u>6b</u>	Qualified dividends			
7	Royalties			
8	Net short-term capital gain (loss)		1,265	
<u>9a</u>	Net long-term capital gain (loss)		(1,375)	
9b	Collectibles (28%) gain (loss)			
9c	Unrecaptured section 1250 gain		<i></i>	
10	Net section 1231 gain (loss)		(3,175)	

11	Other income (loss)		
12	Section 179 deduction		
13	Other deductions	(a) 1,650	
14	Self-employment earnings (loss)	(a) 406,738 (c) 762,917	
15	Credits & credit recapture		
16	Foreign transactions		
17	Alternative minimum tax (AMT) items	(a) (109,684) (b) (8,592) (c) 340,881 (f) (12,156)	
18	Tax-exempt income & nondeductible expense		
19	Distributions	(a) 1,045,000	
20	Other Information	(a) 7,824	

		of Income, Deductions, Credi	ts, etc. 2006
Тах	year beginning January 1, 2006 ending December	er 31, 2006	1
	Final K-1	-	
n ·	Amended K-1		
Part	I Information About the Corporation	Lino Amarrit	Waite in / I it
	Line Description	Line Amount	Write-in / Literal / Attachments
A	Partnership's employer identification number	69-000004	
B	Partnership's name, address, city, state, and Zip	Eastland Quarry	
	code	2313 Jackson Ave	
		Portland, OR 97208	
С	IRS Center where corporation filed return	Ogden	
D	Check if Publicly traded partnership (PTP)		
E	Tax shelter registration number, if any		
F	Check if Form 8271 is attached		
	II Information About the Partner		
G	Partner's Identification number	000-30-0001	
H	Partner's name, address, city, state and ZIP code	Peter Teak	
		34 West Wash. Ave.	
I	□ General partner or LLC member-manager	Salt Lake City, UT 84100 Limited partner or other	
1	□ Limited partner or other LLC member	Linnied partner or other LLC member	
J	Domestic partner		
	□ Foreign partner	Domestic partner	
K	What type of entity is this partner?	Individual	
L	Partner's share of profit, loss and capital		1
	1 / 1	Beginning % Ending%	
	Profit	45 0	
	Loss	45 0	
	Capital	45 0	
Μ	Partner's share of liabilities at year end:		
	Nonrecourse \$		
	Qualified nonrecourse financing \$		
	Recourse \$		
Ν	Partner's capital account analysis:		
	Beginning capital account \$	9,822,670	
	Capital contributed during the year \$	= . / ====	
	Current year increase (decrease) \$	746,777	
	Withdrawals & distributions \$ Ending capital account \$	10,569,447	
	\Box Tax basis \Box GAAP \Box Sect 704(b) book	10,309,447	
	$\Box \text{ Other (explain)} \qquad \Box \text{ Other (explain)}$	Section 704(b) book	
Part	III Partner's Share of Current Year Income, Do		· Items
	Line Description		Write-in / Literal /
			Attachments
1	Ordinary business income (loss)	310,947	
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Guaranteed payments		
5	Interest income	3,201	
6a	Ordinary dividends		
<u>6b</u>	Qualified dividends		
7	Royalties		
8	Net short-term capital gain (loss)	518	
9a	Net long-term capital gain (loss)	(563)	
<u>9b</u>	Collectibles (28%) gain (loss)		
9c	Unrecaptured section 1250 gain		

-	T		
10	Net section 1231 gain (loss)	(12,713)	
11	Other income (loss)		
12	Section 179 deduction		
13	Other deductions	(a) 675	
14	Self-employment earnings (loss)	(a) 0 (c) 3,117,648	
		(0) 3,117,040	
15	Credits & credit recapture		
16	Foreign transactions		
17	Alternative minimum tax (AMT) items	(a) (44,871) (b) (3,515)	
		(b) (3,515)	
		(c) 139,451	
		(f) (4,973)	
18	Tax-exempt income & nondeductible expense		
19	Distributions		
20	Other Information	(a) 3,201	

		of Income, Deductions, Credi	ts, etc. 2006
Tax	year beginning January 1, 2006 ending Decembe	r 31, 2006	1
	Final K-1	4	
n	Amended K-1		
rart	I Information About the Corporation	Line Amount	Write in / Literal /
	Line Description	Line Amount	Write-in / Literal / Attachments
A	Partnership's employer identification number	69-000004	
B	Partnership's name, address, city, state, and Zip	Eastland Quarry	
	code	2313 Jackson Ave	
		Portland, OR 97208	
С	IRS Center where corporation filed return	Ogden	
D	Check if Publicly traded partnership (PTP)		
E	Tax shelter registration number, if any	_	
F	Check if Form 8271 is attached		
	II Information About the Partner		Γ
G	Partner's Identification number	000-00-0002	
H	Partner's name, address, city, state and ZIP code	Joseph Spruce	
		5421 North 2100 South	
T	□ General partner or LLC member-manager	San Jose, CA 95101 Limited partner or other	
Ι	□ Limited partner or other LLC member-manager	Limited partner or other LLC member	
J	Dimited partner of other LLC member Domestic partner		
J	□ Foreign partner	Domestic partner	
K	What type of entity is this partner?	Individual	
L	Partner's share of profit, loss and capital	21141714441	1
-		Beginning % Ending%	
	Profit	0 45	
	Loss	0 45	
	Capital	0 45	
М	Partner's share of liabilities at year end:	'	
	Nonrecourse \$		
	Qualified nonrecourse financing \$		
	Recourse \$		
N	Partner's capital account analysis:		
	Beginning capital account \$	10,569,447	
	Capital contributed during the year \$		
	Current year increase (decrease) \$	746,777	
	Withdrawals & distributions \$	(855,000)	
	Ending capital account \$	10,461,224	
	\Box Tax basis \Box GAAP \Box Sect 704(b) book		
Dow	 Other (explain) III Partner's Share of Current Year Income, Department of Current Year Income, Department Year Income, Depar	Section 704(b) book	Itoms
i art	Line Description	and Other	Write-in / Literal /
	Line Description		Attachments
1	Ordinary business income (loss)	310,947	
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Guaranteed payments		
5	Interest income	3,200	
5a	Ordinary dividends	,	
6b	Qualified dividends		
7	Royalties		
8	Net short-term capital gain (loss)	517	
9a	Net long-term capital gain (loss)	(562)	
9b	Collectibles (28%) gain (loss)		
9c	Unrecaptured section 1250 gain		

10	Net section 1231 gain (loss)	(12,712)	
11	Other income (loss)		
12	Section 179 deduction		
13	Other deductions	(a) 675	
14	Self-employment earnings (loss)	(a) 0	
		(c) 3,117,648	
15	Credits & credit recapture		
16	Foreign transactions		
17	Alternative minimum tax (AMT) items	(a) (44,871)	
		(b) (3,515)	
		(c) 139,451	
		(f) (4,972)	
18	Tax-exempt income & nondeductible expense		
19	Distributions	(a) 855,000	
20	Other Information	(a) 3 ,200	

TEST SCENARIO 5

FORMS REQUIRED: 1065, 4562 (2), 4797, 6252, 8825, 1065 SCH K-1 (4), Form 8453-PE, DEPENDENCIES

ATTACHMENTS:

Ordinary Income (Loss) From Other Partnerships, Estates, and Trusts Statement Other Income (Loss) Statement (Form 1065, Line7, Other Income (Loss); Form 1065 Instructions, Other Income (Loss) Pg 15) Itemized Other Deductions Statement Ownership of Any Interest in Another Partnership or Foreign Entity Statement Schedule L Other Current Assets Statement Schedule L Other Current Liabilities Statement

BINARY ATTACHMENTS: Scanned Form 8453-PE (8453 Signature Document)

HEADER INFO:

Tax Period: 200612

Preparer Firm Electronic Tax Filers, Inc 69-0000005 1065 Efile Drive Anytown, NV 89501

MultipleSoftwarePackagesUsed: Yes or No

Originator: EFIN: Self-select Type: Self-select PractionerPIN: None PIN Entered by – N/A

Signature Option: Binary Attachment 8453 Signature Document

Return Type: 1065

Filer:	EIN: 69-0000005
	Name: Shoebill LTD
	Name Control: SHOE
	Address: 5551 Elliot Rd
	Salt Lake City, UT 84101

- Partner: Name: David Boxwood Title: Chief Executive Officer Taxpayer PIN: N/A Phone: 555-5555 Email Address: Anymail@email.com Date Signed: 04/01/2006
- Preparer: Name: John Doe SSN: 000-40-0001 Phone: 555-5555 Email Address: Anymail@email.com Date Prepared: 04/15/2006 Self Employed: No

IRS PAYMENT: N/A

Details for attachments to Form

Attachment 1, Form 1065, Page 1, Line 4 (Ordinary Income (Loss) From Other Partnerships, Estates, and Trusts Statement)

Partnership, Estate or Trust Name	Address	EIN	Trade or Business Activity	Amount
Hummingbird	275 W Coolidge Ave	69-5000005	Legal Services	\$23,712
Flies	Boise, ID 83708			

Attachment 2, Form 1065, Page 1, Line 7 (Other Income (Loss) Statement (Form 1065, Line7, Other Income (Loss);

Туре	Amount
Cancellation of Debt Income	\$478,206
Professional Fees	\$1,500,000
Bank Fees	\$1,500,000

Attachment 3, Form 1065, Page 1, Line 20 (Itemized Other Deductions Statement)

Туре	Amount
Insurance	\$5,000,000
Permits	\$961,480

Attachment 4, Form 1065, Page 2, Schedule B, Question 3 (Ownership of Any Interest in Another Partnership or Foreign Entity Statement)

Type of Entity	Entity Name	EIN	Country
Partnership	Thrush Company	69-4000044	US

Attachment 5, Form 1065, Page 4, Schedule L, Line 6b and 6d (Schedule L Other Current Assets Statement)

Туре	BOY Amount	EOY Amount
Prepaid	\$22,700	\$24,300
Investment	\$0	\$5,077,578

Attachment 6, Form 1065, Page 4, Schedule L, Line 17b and 17d (Schedule L Other Current Liabilities Statement)

Туре	BOY Amount	EOY Amount
Accrued Bonus	\$1,500,000	\$2,818,150
Accrued Payroll	\$500,000	\$640,000
Deferred Revenue	\$5,530,250	\$8,742,300

Form 1	1065 Test U.S. Return of Part	nership Income Tax	2006
Calend	ar Year 2006 or tax year beginning 01/	01, 2006, ending 12/3	1, 2006
A	Principal business activity	Aircraft Leasing & Sales	
В	Principal product or service	Aircraft	
С	Business code number	532400	
Name	and Address: Shoebill LTD 5551 Elliot R	d Salt Lake City, UT 84	101
D	Employer Identification number:	69-0000005	
Е	Date business started	10/01/1968	
F	Total assets	71,419,054	
G	Check applicable boxes 1,2,3,4,5		
Н	Check accounting method 1,2,3	Accrual	
Ι	Number of Schedule K-1	4	
J	Check if Schedule M-3 Required (attach		
	Schedule M-3)		
	Line Description	Line Amount	Write-in / Literal / Attachment
1a	Gross receipts or sales	43,785,214	
1b	Less returns and allowances	· · ·	
1c	Balance	43,785,214	
2	Cost of goods sold (Sch A, line 8)	21,882,071	
3	Gross profit. Subtract line 2 from 1c	21,903,143	
4	Ordinary income or (loss)	23,712	Attachment 1
5	Net farm profit (loss) F1040	, , , , , , , , , , , , , , , , , , ,	
6	Net gain (loss) F4797	3,505,874	
7	Other income or (loss)	478,206	Attachment 2
8	Total income. Add lines 3 through 10	25,910,935	
9	Salaries and wages (less employment		
	credits)	804,722	
10	Guaranteed payments to partners		
11	Repairs and maintenance	17,239	
12	Bad debts	2,571,330	
13	Rent	900,022	
14	Taxes and licenses	44,444	
15	Interest	912,647	
16a	Depreciation (attach Form 4562)	162,240	
16b	Less depreciation claimed on Sch A		
16c	Total depreciation	162,240	
17	Depletion		
18	Retirement plans, etc		
19	Employee benefit programs		
20	Other deductions	8,961,480	Attachment 3
21	Total deductions (add lines $9-20$)	14,374,124	
22	Ordinary business income (loss) (Subtract		
	Line 21 from Line 8	11,536,811	<u> </u>
Schedu			
1	Inventory at beginning of year	27,126,200	
2	Purchases less cost of items	12,960,400	
3	Cost of labor		
4	Additional section 263A costs		
5	Other costs		
6	Total. Add lines 1 - 5	40,086,600	
7	Inventory at the end of year	18,204,529	
8	Cost of goods sold. Subtract Line 7 from	21,882,071	
	6		
9a (i)	Cost in regulations 1.471-3	Х	
9a	Lower of cost or market		
(ii)			

Form	1065 Test U.S. Return of Part	nership Income Tax	2006
9a	Other		
(iii)			
9b	Check if writedown		
9c	Check if the LIFO was adopted		
9d	Section 263A rules apply	Yes	
9e	Change in determining quantities, cost,	No	
~	valuations		
	ule B Other Information		
<u>1a</u>	Domestic general partnership	X 7	
1b	Domestic limited partnership	X	
1c	Domestic limited liability company		
1d	Domestic limited liability partnership Foreign partnership		
1e 1f	Other		
2	Any partners in this partnership also	Yes	
	partnerships?	105	
3	Partnership own interest in another partnership or foreign entity?	Yes	Attachment 4
4	Partnership file Form 8893?	No	
5a	Partnership total receipts <\$250,000		
5b	Partnership total assets <\$600,000		
5c	Filed Schedule K-1 with return?		
6	Partnership have foreign partners?	No	
7	Partnership publicly traded partnership?	No	
8	Partnership filed F8264?	No	
9	Partnership have an interest in or a signature, or other authority over	No	
	financial account in foreign country?		
10	Partnership receive distribution from,	No	
10	granter of, transferor to foreign trust?	110	
11	Distribution of property or transfer of	No	
	partnership interest?		
12	Number of Forms 8865 attached		
	Name of designated TMP		
	Identifying number of TMP		
	Address of designated TMP		
	Schedule K Partners' Distributive Share In		
1	Ordinary business income (loss)	11,536,811	
2 3a	Net rental real estate income (loss)	3,579,503	
3a 3b	Other gross rental income (loss) Other rental activities expenses		
30 3c	Other net rental income (loss) Subtract		
50	Line 3b from 3a		
4	Guaranteed payments		
5	Interest Income	1,771,604	
6a	Ordinary dividends	, , -	
6b	Qualified dividends		
7	Royalties		
8	Net short-term capital gain (loss)		
9a	Net long-term capital gain (loss)		
9b	Collectibles (28%) gain (loss)		
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)	237,979	
11 12	Other income (loss)		
12 13a	Section 179 deduction Contributions		
13a 13b	Investment interest expenses		
150	myesiment interest expenses		

Form	1065 Test	U.S. Return of Partnersh	ip Income Tax	2006
13c	Section 59(e)(2) ex		-	·
13c		penditures (amount)		
(2)				
13d	Other deductions			
14a	Net earnings (loss)	self employment	2,007,034	
14b	Gross farming or fi	shing income		
14c	Gross nonfarm inco	ome	41,777,480	
15a	Low-income housi			
15b	Low-income housi			
15c	Qualified rehabilita			
15d	Other rental real es			
15e	Other rental credits			
15f	Other credits and c			
16a	Name of country of	U.S. possession		
16b	Gross income from			
16c	Gross income sour	ced at		
	partnership level			
16d	Passive			
16e	Listed categories			
16f	General limitation			
16g	Interest expense			
16h	Other			
16i	Passive			
16j	Listed categories			
16k	General limitation			
16l	Total foreign taxes			
16m	Reduction in taxes			
16n	Other foreign tax in			
17a	Post 1986 deprecia		800,000	
17b	Adjusted gain or lo			
17c	Depletion (other th			
17d		ermal properties-gross		
	income			
17e	Oil, gas, and geoth	ermal properties-		
	deductions			
17f	Other AMT items			
18a	Tax-exempt interes			
18b	Other tax-exempt i		2,500,000	
18c	Nondeductible exp		56,403	
19a	Distri of cash & ma			
19b	Distributions of oth			
20a	Investment income		1,771,604	
20b	Investment expense			
20c	Other items and an	nounts		

	Analysis of Net	Income (Loss	5)							
1	Net income (loss) Combine SchK line 1 –					17,125,897				
	11; Subtract sum SchK line 12 - 13d, and									
	161									
	(i) Corporate	(ii)	(iii)		(iv) Pa	rtnership		Exempt	(vi) Nominee	
		Individual	Indivi				org	ganization	Other	
		(active)	(passi							
2a	Analysis		4,2	81,474						
	by									
	General									
	partners									
2b	Analysis	8,562,949				4,281,474				
	by									
	Limited									
<u> </u>	partners		•							
Sched	lule L Balance	e Sheets per B							XX 7 • 4 • 4	
		Beginning	g of tay	x year		End	01 t	ax year	Write-in /	
	A (<u> </u>	6					Literal	
1	Assets	(a)		<u>(b</u>	/	(c)		(d)		
1	Cash	1.000		7	00,440	47.100.0	0.0	25,330		
2a	Trade notes	/	9,222	1 -	00.111	16,488,9		1 - 000		
2b	Less allowance	809	9,111		90,111	1,288,2	22	15,200,777		
3	Inventories			25,8	00,428			17,616,409		
4	U.S. govt oblig									
5	Tax-exempt									
(securities									
6	Other current									
-	assets	1			22,700			5,100,278	Attachment 5	
7	Mortgage & re	al								
0	estate loan									
8	Other									
0.	investments									
9a	Bldgs & other	22.50	0.020			21 795 9	77			
9b	deprec assets Less accumu-	22,500	J,030			24,785,8	21		-	
90	lated deprec	22.00	0,030	20.2	00,000	2 435 1	17	22,350,610		
100			0,030	20,5	00,000	2,435,217		22,330,010	-	
10a 10b	Depletable asst Less accumu-	.5							-	
100	lated depletion									
11	Land			10 1	00,000			11,125,650		
11 12a	Intangible asse	ts		10,1				11,123,030		
12a 12b	Less accum									
140	amortization									
13	Other assets									
14	Total assets		-	61.1	13,679			71,419,054		
	10141 400000			<u> </u>				,,,,		
	Liabilities	(a)		(b)	(c)		(d)		
15	Account			<u>, </u>	,	(*)		()		
	payab			3.1	00,377			3,987,240		
16	Mortgage		-	-,-	- ,			- ;- ;- ;- ;- ;-		
-	notes, bon									
	payable < 1							20,317,292		
17	Other curre									
	liabiliti			75.	30,250			12,200,450	Attachment 6	
18	All nonrecour		F		,			, ,		
	loa									

19	Mortgages,							
	notes, bonds							
	payable > 1yr		32,	271,505		_		
20	Other liabilities	_				_		
21	Partners' capital							
	accounts		18,	211,547			34,914,072	
22	Total labilities							
	and capital			113,679			71,419,054	
Sched		liation of Income (Loss) j					
	Line Description			Line A	mount	Wı	rite-in / Literal	
1	Net Income (loss)				16,202,525			
2		on SchK lines 1, 2, 3						
		, not recorded on th	e					
	books this year (ite							
2	Total Income Inclu							
3	Guaranteed payme	ents (other than heal	th					
	insurance)							
4 a	1	d on books (itemize))					
	Depreciation				923,372			
4b	Travel & entertain	ment						
4	Total Income Exp	enses						
5	Add lines 1 – 4				17,125,897			
6a		on books (itemize) ta	ax-					
	exempt interest-de							
6	Total Income Reco							
7a		arged against book						
	(itemize) depreciat							
7a		arged against book						
	(itemize)-depletion							
7	Total Itemized De							
8	Total Income/Ded	uctions						
8	Add lines 6 and 7							
9		alysis of net income						
~		ract line 8 from line			17,125,897			
		s of Partners' Capi	ital Ac	counts		1		
1	Balance at beginni				18,211,547			
2a	Capital contributed				500,000			
2b	Capital contributed				1 (202 525			
3	Net income (loss)				16,202,525			
4	Other increases (it				24.014.055			
5	Add lines 1 throug				34,914,072			
6a	Distributions – Ca							
6b	Distributions – Pro							
7	Other decreases (in	temized)						
8	Add lines 6 and 7	0.1						
9		year. Subtract line 8	5		24.014.055			
	from line 5				34,914,072			

Form 4		Deprecia	tion and Amo	rtization	2006			
	Shoebill Unlimited							
	ss or Activity: Aircraf	t Leasing						
EIN: 6	9-0000005		i		i			
	Line Description			Line Amoun	t	Write-in / Literal / Attachments		
Part I	Election to Expense	Certain Pr	operty Under	Section 179				
1	Maximum amount				105,000			
2	Total cost of section							
3	Threshold cost of sec		ор		420,000			
4	Reduction in limitation							
5	Dollar limitation for							
6(a)	Description of Proper	rty						
6(b)	Cost							
6(c)	Elected cost							
7	Listed property	4.70						
8	Total elected cost of	sec 179 pro	р					
9	Tentative deduction	111						
10	Carryover of disallow		on					
11	Business income limit							
12	Section 179 expense							
13	Carryover of disallow			D • •				
Part II	Special Depreciatio		ce and Other	Depreciation	1			
14	Special depreciation allowed				22,361			
15	Property subject to sec 168(f)(1) electio							
16	Other depreciation	4						
Part II	I MACRS Deprecia	tion						
17	MACRS deductions			101,033				
18	Sec 168(i)(4) election	1						
Section	<u>B – Assets Placed in</u>	Service Du	ring 2006 Tax	x Year Using	the General	Depreciation	System	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	Write-in /
	Classification of	Month	Basis for	Recovery	Con-	Method	Deprc	Literal /
	property	& Year	deprec	period	vention		deduct	Attach-
								ments
19a	3-year property		6,120	3 Yrs	НҮ	S/L	1,020	
19b	5-year property	•	29,304	5 Yrs	HY	200 DB	5,861	
190 19c	7-year property		10,885	7 Yrs	HY	200 DB	1,555	
19d	10-year property		10,005	/ 115		20000	19000	
19e	15-year property							
19t	20-year property							
19g	25-year property					S/L		
19h	Residential rental				MM	S/L		
	property				-			
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	Write-in /
	Classification of	Month	Basis for	Recovery	Con-	Method	Deprc	Literal /
	property	& Year	deprec	period	vention		deduct	Attach-
	- •		-					ments
10'	NTerror 1 (* 1 1	10/04	0.05/	20.37		C/I		
19i	Nonresidential real	10/04	9,856	39 Yrs	MM	S/L	253	
	property			X 7 X 7 X		· • •	·	
G						TWO DODROOIO	trom b'rrotom	
	C – Assets Placed in	Service Du	ring 2006 Tax	<u>x Year Using</u>	the Alternat	live Deprecia	tion System	
20a	C – Assets Placed in Class life	Service Du	iring 2006 Tax	x Year Using			tion System	
	C – Assets Placed in	Service Du	iring 2006 Tax	x Year Using	MM	S/L S/L	tion System	

Form 4	1567	Danragia	tion and A	mortizatio	m	2006				
r or in 4	1302	Deprecia	ann ann Al		/11 	2000				
Part IV	V Summary									
21	Listed property									
21	Total					132,083				
22	Assets for CY					152,005				
		-					_			
	Listed Property A – Depreciation		formation							
24a	Evidence?	i and Other In	Iormation	Yes		1				
24a 24b	Evidence written	.0		Yes						
240				res						
	Special deprecia		a malified							
26	Property used me		· · · · · · · · · · · · · · · · · · ·			(6			(1)	
	(a)	(b)	(c)	(d)	(e)	(f)		(g)	(h)	(i)
	Tomoof	Date placed	Busines	Cost or	Basis		•	Method	Depreci	Elected
	Type of Bronouty	in service	s/invest	other basis	for deprie	Peri	oa	convent	ation deducti	section 179 cost
	Property		ment use %	Dasis	ation			ion		179 COSt
			use 70			1			on	
27	Property used 50	% or less in a g	ualified bus	iness use.	1				1	
<i>L</i>	Topenty used 50			111035 USC.	1	1			1	
28	Add column (h),	lines 25 27								
20	Add column (i),									
-	B – Information		alaa							
	Total bus/invest		letes							
30(a)										
31(a)	Total commuting									
32(a)	Tot other person									
33(a)	Total miles drive		9							
34	Vehicle available		se?							
35	Vehicle used > 5		1 0	_						
36	Another vehicle	1		X7 1 * 1	e 11	1 71 1				
	n C – Questions fo			e Vehicles	for Use	by Their	Empl	oyees		
37	Maint written po	71								
38	Maint written po									
39	Vehicles treated	1	!							
40	Provide > 5 vehi		0							
41	Qualified auto de	emonstration us	e?							
Part V		2)					1	(6)	XX 7 •4 • •	T * 4 T *
	(a)	(b)	(c)	(d		(e)		(f)	Write-in /	
	Depreciation	Date amort	Amort			Amort		mort	Attachn	nents
	of costs	begins	amount	t sect	ion	period or		r this		
						percent		Yr		
47 am	ortization of costs	that hagin dur	ing your 20	06 tax voi) r		1			
+2 am(Development	mai begill uur	ing your 20		11		t i	i i		
	Cost									
43	Amort of costs		1				<u> </u>			
J	before 2006									
	TY									
44	Total						+			
TT	10101									

Form 4		Deprecia	tion and Amo	ortization	2006			
	Shoebill Unlimited							
	ss or Activity: Aircraf	't Leasing						
EIN: 6	9-0000005		r					
	Line Description			Line Amoun	t	Write-in / Li	iteral / Atta	chments
Part I	Election to Expense	Certain P	roperty Under	r Section 179				
1	Maximum amount				105,000			
2	Total cost of section							
3	Threshold cost of section 179 prop				420,000			
4	Reduction in limitation							
5	Dollar limitation for							
6(a)	Description of Proper	rty						
6(b)	Cost							
6(c)	Elected cost							
7	Listed property							
8	Total elected cost of	sec 179 pro	p					
9	Tentative deduction							
10	Carryover of disallow		on					
11	Business income lim							
12	Section 179 expense							
13	Carryover of disallov							
Part II			ce and Other	Depreciation				
14	Special depreciation							
15	Property subject to se	ec 168(f)(1)) election					
16	Other depreciation							
Part II	I MACRS Deprecia	tion						
17	MACRS deductions				4,983,216			
18	Sec 168(i)(4) election	1			, ,			
Section	B – Assets Placed in	Service Du	uring 2006 Ta	x Year Using	the General	Depreciation	System	
	(a) Classification of	(b) Month	(c) Basis for	(d) Recovery	(e) Con-	(f) Method	(g) Deprc	Write-in / Literal /
	property	& Year	deprec	period	vention	Witthou	deduct	Attach- ments
19a	3-year property							
19b	5-year property		2,642,388	5 Yrs	HY	200DB	528,478	
19c	7-year property	-					í í	
19d	10-year property	-						
19e	15-year property							
19f	20-year property							
19g	25-year property					S/L		
19h	Residential rental property				MM	S/L		
	(a) Classification of property	(b) Month & Year	(c) Basis for deprec	(d) Recov- ery period	(e) Con- vention	(f) Method	(g) Deprc deduct	Write-in / Literal / Attach- ments
19i	Nonresidential real property				MM	S/L		
	Accete Diseadin	Service Di	iring 2006 Ta	x Year Using	the Alterna	tive Deprecia	tion System	l
						0.7	44 - 0 0	
20a	Class life		2,935,176	4/1/2006	HY	S/L	44,500	
					HY MM	S/L S/L S/L	44,500	

Form 4	562	Deprecia	tion and Aı	nortizatio	n	2006			
Part IV	Summary								
21	Listed property								
22	Total				5,7	56,194			
23	Assets for CY								
Part V	Listed Property	7							
Section	A – Depreciation	and Other Inf	formation						
24a	Evidence?				Yes				
24b	Evidence written	?			Yes				
25	Special depreciat	ion allowance							
26	Property used mo	ore than 50% in	a qualified	business u	se:				
	(a) Type of Property	(b) Date placed in service	(c) Busines s/invest ment use %	(d) Cost or other basis	(e) Basis for deprici ation	(f) Reco very Perio d	(g) Method convention	(h) Depreci ation deducti on	(i) Elected section 179 cost
27	Property used 50	% or less in a q	ualified bus	iness use:	·	· · · · ·	ı		· · · · · · · · · · · · · · · · · · ·
28	Add column (h),	lines 25 - 27				1			
29	Add column (i), 1								
-	B – Information		cles						
30(a)	Total bus/invest i								
31(a)	Total commuting								
32(a)	Tot other persona								
33(a)	Total miles drive								
34	Vehicle available		se?						
35	Vehicle used $> 5^\circ$								
36	Another vehicle a		al use?						
	C – Questions for	1		Vehicles	for Use b	v Their F	mplovees		
37	Maint written pol				101 0.50 0	<i>j</i> 1 men 2			
38	Maint written pol								
39	Vehicles treated a								
40	Provide > 5 vehic								
41	Qualified auto de		e?						
Part VI	<u> </u>			1					
	(a)Depreciati on of costs	(b)Date amort begins	(c) Amor amount	t (d)Co sectio	n pe	Amort riod or rcent	(f)Amort for this Yr	Write-in / L Attachment	
42 amo	rtization of costs	that begin duri	ing your 20	06 tax yea	r				
	Development Cost								
43	Amort of costs before 2006 TY								
44	Total								

Form 4		Sales of B	usiness P	roper	ty			2006	
	Shoebill Unlimited								
EIN: 6	9-0000005								
	Line Description				Line Amou	ınt	Write-in / L	iteral / Atta	chments
1	Gross receipts fm sale	s or exchg							
Part I	Sales or Exchanges of	Property I	U <mark>sed in a</mark>	Trad	le or Busines	S			
	Line Description				Line Amou	ınt	Write-in / Lite	ral / Attach	ments
	Description of	Date	Da	te	Gross sa	le	Depreciation	Cost or	Gain or
	property	acquired	so	ld	price		allowed	other	loss
	(a)	(b)	(c	:)	(d)		(e)	basis	(g)
			,	,				(f)	(0)
2									
	Line Description				Line Amou	ınt	Write-in / Lite	ral / Attach	ments
3	Gain fm F4684				1				
4	Sec 1231 gain fm F62	52			237,	979			
5	Sec 1231 gain fm F88				Í				
6	Gain fm casualty or th				2,550,	000			
7	Combine lines 2 to 6				2,787.				
8	Nonrecaptured net sec	1231 loss				-			
9	Subtract line 8 from li				2,787.	979			
Part II					,				
	Line Description				Line Amou	ınt	Write-in / Lite	ral / Attach	ments
	Description of	Date	Da	te	Gross sa		Depreciation	Cost or	Gain or
	property	acquired			price		allowed	other	loss
	(a)	(b)	(c		(d)		(e)	basis	(g)
			(-	,	()		(-)	(f)	
10	Ordinary gains and los	ses not inclu	ided on li	nes 1	1 through 16				
	Installment Sale								
	from F6252								567,895
									,
	Line Description				Line Amou	ınt	Write-in / Lite	ral / Attach	ments
11	Loss fm line 7					-			
12	Gain fm line 7				2,787,	979			
13	Gain fm line 31				150.				
14	Net gain F4684				100				
15	Ordinary gain F6252								
16	Ordinary gain F8824				1				
17	Combine lines 10 to16	ñ			3,505.	874			
18a	Part of loss F4684	-							
18b	Redetermined gain or	(loss) on lir	ne 17		1				
Part II				Secti	ons 1245 124	50. 1	252, 1254 and 13	255	
	Description of prope		Date		Date sold	, 1	, 1201 und 14		
	(a)		cquired		(c)	1			
	(")		(b)						
19a	See F6252	0	4/30/04		06/30/05	1			
19b									
19c	1								
19d									
170		Proper	ty A	Prov	erty B	D.	operty C P	roperty D	
20	Gross Sale price	-	ty A 150,000	110	лиу в	I I		operty D	
20	Cost or other basis		<i>,</i>						
			500,000						
22	Depreciation allowed		150,000						
23	Adjusted basis	2	450,000			1			

Form	4797	Sales of Business P	roperty				2006
24	Total gain	2,700,000	V				
25a	Depreciation allowed	150,000					
25b	Smaller of lines 24 and 25a	d 150,000					
26a	Additional depreciation after 197	5					
26b	Applicable %						
26c	Subtract line 26a from line 24	1					
26d	Additional depreciation after 196	9					
26e	Smaller of lines 26c and 26c						
26f	Sec 291 amount						
26g	Add lines 26b,26e and 26f	l					
27a	Soil, water, land						
27b	Line 27 multiplied by applicable %						
27c	Smaller of lines 24 and 27b	d					
28a	Intangible drilling						
28b	Smaller of lines 24 and 28a	d					
29a	Applicable % of payment excluded						
29b	Smaller of lines 24 and 29a	d			-		
	Line Description		Line A			Write-in	/ Literal / Attachments
30	Total gain all property				0,000		
31	Add property columns				0,000		
32	Subtract line 31 from				0,000		
Part I	V Recapture Amounts	Under Sections 17	9 and 28				
				(a) Sectio	n 179	(b) S	ection 280F(b)(2)
33	Sec 179 expense dedu		l				
34	Recomputed depreciat	tion					
35	Recapture amount						

Form 6	5252	Installment Sale Inco	me	2006			
Name:							
Identify	ving number:						
1	Description of prope	rty					
2a	Date acquired (mont	Date acquired (month, day, year)					
2b	Date sold						
3	Was property sold to	a related party	No				
4	Was the property sol	d to a related party a mar	ketable security	□Yes	□No		
	Line Description		Line Amount		Write-in / Literal / Attachments		
Part I	Election to Expense	Certain Property Unde	r Section 179				
5	Selling price including	ng mortgages and other					
	debts.						
6	Mortgages, debts, an	d other liabilities buyer					
	assumed						
7	Subtract line 6 from	line 5					
8	Cost of other basis o	f property sold					

Form 6	1252 Installment Sale Incom	me	2006
9	Depreciation allowed or allowable		
10	Adjusted basis. Subtract line 9 from line 8.		
11	Commissions and other expenses of sale		
12	Income recapture from Form 4797, Part III		
13	Add lines 10, 11, and 12		
14	Subtract line 13 from line 5. If zero or less,		
	do not complete rest of form		
15	If property described on line 1you're your		
10	main home, enter amount of your excluded		
	gain		
16	Gross profit. Subtract line 15 from line 14		
17	Subtract line 13 from line 6. If zero or less		
17	enter 0		
18	Contract price. Add line 7 and line 17		
	I Installment Sale Income		
19	Gross profit percentage. Divide line 16 by		
	line 18.		
20	If this is the year of sale, enter the amount		
20	from line 17. Otherwise 0		
21	Payments received during year		
21	Add lines 20 and 21		
23	Payments received in prior years		
23	Installment Sale income. Multiply line 22		
24	by line 19		
25	Enter the part of line 24 that is ordinary		
23	income under the recapture rules		
26	Subtract lien 25 fro line 24. Enter here and		
20	on Sch D or Form 4797		
Part II	I Related Party Installment Sale Income		
27	Name, address and taxpayer identifying		
	number of related party		
28	Did related party resell or dispose of		
	property during this tax year		
29	If answer to 28 is 'yes', complete lines 30		
	through 37 unless one of the following		
	conditions is met. Check box that applies		
Α	The second disposition was more than 2		
	years after the first disposition. If box is		
	checked enter date of disposition		
В	The first disposition was a sale or exchange		
	of stock to the issuing corporation		
С	The second disposition was an involuntary		
	conversion and the threat of conversion		
	occurred after the first disposition		
D	The second disposition occurred after the		
L	death of the original seller or buyer		
Е	It can be established to the satisfaction of		
	the IRS that tax avoidance was not a		
26	principal purpose for either dispositions		
30	Selling price of property sold by related		
	party		
31	Enter contract price from line 18 for year of		
	first sale		
32	Enter the smaller of line 30 or line 31		
33	Total payments received by the end of your		
	2006 tax year Subtract line 33 from line 32. If zero or		
34	I Manufacture at Long 20 English 20 IE - and an		

Form	6252	Installment Sale Income	2006	
	less, enter 0			
35	Multiply line 34 by g on line 19 for year of	ross profit percentage first sale		
36	Enter the part of line income under the reca			
37	Subtract line 36 from Schedule D or Form	line 35. Enter here on 4797		

Form 88	325		eal Estate Income tnership or an S		of a 2	006
	Shoebill Unlimited					
EIN: 69	-0000005					
	Line Description		Line Amount /	Information	Write-in / Attachme	
1A	Kind & location of each	property		Aircraft		
1B						
1C						
1D						
				Properties		
			Α	В	С	D
2	Gross rents		6,575,640			
3	Advertising		4,230			
4	Auto and travel		7,135			
5	Cleaning and maintenance	e				
6	Commissions		21,300			
7	Insurance		155,940			
8	Legal and other profession	nal fees	38,342			
9	Interest		406,581			
10	Repairs		3,220			
11	Taxes		5,704			
12	Utilities		7,311			
13	Wages and salaries		126,211			
14	Depreciation		5,726,037			
15	Other					
16	Total expense for each pr	operty	6,502,011			
	Line Description	• 	Line Amount /	Information	Write-in / Attachme	
17	Total gross rents			6,575,640		
18	Total expenses			(6,502,011)		
19	Net gain (loss) F4797			3,505,874		
	Net income (loss) from re	ental real				
20a	estate activities					
20b(1)	Name					
20b(2)	EIN					
21	Net rental real estate inco	ome (loss)		3,579,503		

Sch	K-1 (Form 1065) Partner's Share o year beginning January 1, 2006 ending Dece	f Income, Ded	uctions, Cred	lits, etc. 2006
1 ax	Final K-1	mber 51, 2006		
	Amended K-1	1		
Part	I Information About the Corporation			
1 41 1	Line Description	Line Amoun	t	Write-in / Literal / Attachments
A	Partnership's employer identification number	69-00	00005	
B	Partnership's name, address, city, state, and		Unlimited	
	Zip code	5551 Ell	iot Road	
	-	Salt Lake Ci	ty, UT 84101	
С	IRS Center where corporation filed return	Og	den	
D	Check if Publicly traded partnership (PTP)			
E	Tax shelter registration number, if any			
F	Check if Form 8271 is attached			
	II Information About the Partner			
<u>G</u>	Partner's Identification number		<u>0-0001</u>	
H	Partner's name, address, city, state and ZIP		Boxwood	
	code		on Circle D 83708	
I	□ General partner or LLC member-manager		tner or LLC	
	□ Limited partner or other LLC member		manager	
J	□ Domestic partner			
	\Box Foreign partner	Domesti	c partner	
K	What type of entity is this partner?		ridual	
L	Partner's share of profit, loss and capital			•
		Beginning %	Ending%	
	Profit	25	25	
	Loss	25	25	
	Capital	25	25	
М	Partner's share of liabilities at year end:			
	Nonrecourse \$			
	Qualified nonrecourse financing \$		20.217.202	
T	Recourse \$		20,317,292	
N	Partner's capital account analysis:		4 553 996	
	Beginning capital account \$ Capital contributed during the year \$		4,552,886 125,000	
	Current year increase (decrease) \$		4,050,631	
	Withdrawals & distributions \$		1,000,001	
	Ending capital account \$		8,728,518	
	\Box Tax basis \Box GAAP \Box Sect 704(b) book		-,,010	
	□ Other (explain)	Section '	704(b) book	
Part	III Partner's Share of Current Year Incom	e, Deductions,	Credits, and	
	Line Description			Write-in / Literal /
				Attachments
1	Ordinary business income (loss)		2,884,203	
2	Net rental real estate income (loss)		894,876	
3	Other net rental income (loss)			
 ;	Guaranteed payments Interest income	<u> </u>	112 001	
5	Ordinary dividends		442,901	
5a 5b	Qualified dividends			
7 7	Royalties			
/ 8	Net short-term capital gain (loss)			
9a	Net long-term capital gain (loss)			
)b	Collectibles (28%) gain (loss)			
9c	Unrecaptured section 1250 gain			

10	Net section 1231 gain (loss)	59,495	
11	Other income (loss)		
12	Section 179 deduction		
13	Other deductions		
14	Self-employment earnings (loss)	(a) 5,001,934 (c)10,444,370	
15	Credits & credit recapture		
16	Foreign transactions		
17	Alternative minimum tax (AMT) items	(a) 200,000	
18	Tax-exempt income & nondeductible	(b) 625,000	
	expense	(c) 14,101	
19	Distributions		
20	Other Information	(a) 442,901	

	K-1 (Form 1065) Partner's Share of			its, etc. 2006
Tax	year beginning January 1, 2006 ending Dec	ember 31, 2000	6	
	Final K-1	4		
	Amended K-1			
Part	I Information About the Corporation			
	Line Description	Line Amoun	t	Write-in / Literal / Attachments
A	Partnership's employer identification number	69-000005		
B	Partnership's name, address, city, state, and Zip code	5551 EI	Unlimited liot Road ity, UT 84101	
С	IRS Center where corporation filed return	Og	den	
D	Check if Publicly traded partnership (PTP)			
E	Tax shelter registration number, if any			
F	Check if Form 8271 is attached	1		
Part	II Information About the Partner			
G	Partner's Identification number	000-4	0-0002	
H	Partner's name, address, city, state and ZIP code	Joshu 2894 N. 6	a Plum 352 South V 89510	
Ι	□ General partner or LLC member-manager □ Limited partner or other LLC member	Limited partner or other LLC member		
J	 Domestic partner Foreign partner 	Domestic partner		
K	What type of entity is this partner?		vidual	
L	Partner's share of profit, loss and capital	Beginning %		
	Profit	25	25	
		_		
	Loss Capital	25 25	25 25	
м	Partner's share of liabilities at year end:	25	25	
Μ	Nonrecourse \$			
	Qualified nonrecourse financing \$			
NT	Recourse \$			
Ν	Partner's capital account analysis:		4 5 5 2 0 0 5	
	Beginning capital account \$		4,552,887	
	Capital contributed during the year \$			
	Current year increase (decrease) \$			
	Withdrawals & distributions \$			
	Ending capital account $\$$	-		
	\Box Tax basis \Box GAAP \Box Sect 704(b) book	Cast:	704(b) baal	
Dant	Other (explain)		704(b) book	Oth an Itama
Part	III Partner's Share of Current Year Incom	ie, Deductions	, Credits, and	
	Line Description			Write-in / Literal / Attachments
1	Ordinary business income (loss)	ļ		
2	Net rental real estate income (loss)			
3	Other net rental income (loss)			
4	Guaranteed payments			
5	Interest income			
6a	Ordinary dividends			
6b	Qualified dividends			
7	Royalties			
8	Net short-term capital gain (loss)			
9a	Net long-term capital gain (loss)			

9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)		
11	Other income (loss)		
12	Section 179 deduction		
13	Other deductions		
14	Self-employment earnings (loss)	(d) 0 (c)10,444,370	
15	Credits & credit recapture		
16	Foreign transactions		
17	Alternative minimum tax (AMT) items	(a) 200,000	
18	Tax-exempt income & nondeductible		
	expense		
19	Distributions		
20	Other Information		

	K-1 (Form 1065) Partner's Share		ictions, Credit	s, etc. 2006
Tax	year beginning January 1, 2006 ending Decembe	er 31, 2006		
	Final K-1	_	_	
	Amended K-1			
Part	I Information About the Corporation	-		
	Line Description	Line Amount	;	Write-in / Literal / Attachments
Α	Partnership's employer identification number	69-00	00005	
B	Partnership's name, address, city, state, and Zip	Shoebill	Unlimited	
	code	5551 El	liot Road	
		Salt Lake Ci	ity, UT 84101	
С	IRS Center where corporation filed return	Og	den	
D	Check if Publicly traded partnership (PTP)			
Е	Tax shelter registration number, if any			
F	Check if Form 8271 is attached			
Part	II Information About the Partner			
G	Partner's Identification number	000-4	40-0003	
Н	Partner's name, address, city, state and ZIP code	Tony	Cypress	
			ith19 West	
			sco, CA 94104	
I	General partner or LLC member-manager	Limited pa	rtner or other	
	□ Limited partner or other LLC member		member	
J	Domestic partner			
	Foreign partner		ic partner	
K	What type of entity is this partner?	Indi	vidual	
L	Partner's share of profit, loss and capital			
		Beginning %	Ending%	
	Profit	25	25	
	Loss	25	25	
	Capital	25	25	
Μ	Partner's share of liabilities at year end:			
	Nonrecourse \$			
	Qualified nonrecourse financing \$			
	Recourse \$			
Ν	Partner's capital account analysis:			
	Beginning capital account \$		4,552,887	
	Capital contributed during the year \$			
	Current year increase (decrease) \$			
	Withdrawals & distributions \$			
	Ending capital account \$			
	\Box Tax basis \Box GAAP \Box Sect 704(b) book			
	□ Other (explain)		704(b) book	
Part	III Partner's Share of Current Year Income, De	eductions, Credi	its, and Other	
	Line Description			Write-in / Literal /
				Attachments
1	Ordinary business income (loss)			
2	Net rental real estate income (loss)			
3	Other net rental income (loss)			
4	Guaranteed payments			
5	Interest income			
6a	Ordinary dividends			
6b	Qualified dividends			
7	Royalties			
8	Net short-term capital gain (loss)			
9a	Net long-term capital gain (loss)			
9b	Collectibles (28%) gain (loss)			
	Unrecaptured section 1250 gain			

10	Net section 1231 gain (loss)		
11	Other income (loss)		
12	Section 179 deduction		
13	Other deductions		
14	Self-employment earnings (loss)	(e) 0	
		(c)10,444,370	
15	Credits & credit recapture		
16	Foreign transactions		
17	Alternative minimum tax (AMT) items	(a) 200,000	
18	Tax-exempt income & nondeductible expense	(b) 625,000	
19	Distributions		
20	Other Information		

		of Income, Deductions, Credi	ts, etc. 2006
Tax	year beginning January 1, 2006 ending December	er 31, 2006	
	Final K-1		
-	Amended K-1		
Part	I Information About the Corporation		
	Line Description	Line Amount	Write-in / Literal / Attachments
A	Partnership's employer identification number	69-000005	
B	Partnership's name, address, city, state, and Zip	Shoebill Unlimited	
	code	5551 Elliot Road	
		Salt Lake City, UT 84101	
С	IRS Center where corporation filed return	Ogden	
D	Check if Publicly traded partnership (PTP)		
E	Tax shelter registration number, if any		
F	Check if Form 8271 is attached		
Part	II Information About the Partner		
G	Partner's Identification number	694000004	
Н	Partner's name, address, city, state and ZIP code	Redbird Trees	
		7272 West Turman Ave	
		Sacramento, CA 95813	
Ι	General partner or LLC member-manager	Limited partner or other	
	□ Limited partner or other LLC member	LLC member-manager	
J	Domestic partner		
	Foreign partner	Domestic partner	
K	What type of entity is this partner?	Partnership	
L	Partner's share of profit, loss and capital		
		Beginning % Ending%	
	Profit	25 25	
	Loss	25 25	
_	Capital	25 25	
Μ	Partner's share of liabilities at year end:		
	Nonrecourse \$		
	Qualified nonrecourse financing \$		
	Recourse \$		
N	Partner's capital account analysis:		
	Beginning capital account \$		
	Capital contributed during the year \$		
	Current year increase (decrease) \$		
	Withdrawals & distributions \$		
	Ending capital account \$		
	\Box Tax basis \Box GAAP \Box Sect 704(b) book		
	□ Other (explain)	Section 704(b) book	
Part	III Partner's Share of Current Year Income, D		Items
	Line Description		Write-in / Literal /
	-		Attachments
1	Ordinary business income (loss)		
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Guaranteed payments		
5	Interest income		
- 6a	Ordinary dividends		
<u>6b</u>	Qualified dividends		
0D	× ·		
	Rovalties		
7	Royalties Net short-term capital gain (loss)		
7 8	Net short-term capital gain (loss)		
00 7 8 9a 9b			

10	Net section 1231 gain (loss)		
11	Other income (loss)		
12	Section 179 deduction		
13	Other deductions		
14	Self-employment earnings (loss)	(f) 0	
		(g) 10,444,370	
15	Credits & credit recapture		
16	Foreign transactions		
17	Alternative minimum tax (AMT) items		
18	Tax-exempt income & nondeductible expense		
19	Distributions		
20	Other Information		

TEST SCENARIO 6

FORMS REQUIRED: 1065-B, 4797, 1065-B SCH K-1 (2), Form 8453-B, DEPENDENCIES

ATTACHMENTS:

Itemized Other Deductions Schedule Inventoriable Costs Paid Schedule Balance Sheets Discrepancy Statement Schedule L Other Current Assets Statement

BINARY ATTACHMENTS: Scanned Form 8453-B (8453 Signature Document)

HEADER INFO:

Tax Period: Calendar Year 2006

Preparer Firm	Electronic Tax Filers, Inc	69-0000006
	1065 Efile Drive	
	Anytown, TX 79001	

MultipleSoftwarePackagesUsed: Yes or No

Originator: EFIN: Self-select Type: Self-select PractionerPIN: None PIN Entered by – N/A

Signature Option: Binary Attachment 8453 Signature Document

Return Type: 1065-B

Filer:	EIN: 69-000006
	Name: ABC Oil and Gas L P
	Name Control: ABCO
	Address: 28 Oil Rig Rd
	Anytown, TX 79001
Partner:	Name: Jonathan Walker
	Title: Chief Executive Officer
	Taxpayer PIN: N/A
	Phone: 555-55-5555
	Email Address: Anymail@email.com
	Date Signed: 04/01/2006
Preparer:	Name: Jane Doe
I	SSN: 000-50-5555
	Phone: 555-555-5555
	Email Address: Anymail@email.com
	Date Prepared: 04/10/2006
	Self Employed: No

IRS PAYMENT: N/A

Details for attachments to Form

Attachment 1, Form 1065-B, Page 1, Line 23 (Itemized Other Deductions Schedule)

Туре	Amount
Survey Costs	\$150,750
Permits	\$27,250
Professional Fees	\$46,140
Bank Fees	\$2,600

Attachment 2, Form 1065-B, Page 2, Schedule A, Line 5 (Inventoriable Costs Paid Schedule)

Туре	Amount
Other Costs	\$576,000

Attachment 3, Form 1065-B, Page 5, Schedule L (Balance Sheets Discrepancy Statement)

Describe Allocation of Depletion Expense

Attachment 4, Form 1065-B, Page 5, Schedule L, Line 6 (Schedule L Other Current Assets Statement)

Туре	BOY Amount	EOY Amount
Prepaid Insurance	\$260,000	\$280,001
Other	\$1,600,720	\$1,630,110

		me for Electing Large Pa	· · · · · · · · · · · · · · · · · · ·
	dar Year 2006 or tax year beginning		2006
Α	Principal business activity	Mining	
B	Principal product or service	Oil and Gas	
С	Business code number	211110	
Name	and Address:		
D	Employer Identification number	69-000006	
Е	Date business started	11/08/1999	
F	Total assets	\$5,617,088	
G	Check applicable boxes 1,2,3,4		
H	Check accounting method 1,2,3	Accrual	
I	Number of Schedule K-1	2	
J	Schedule M-3 Required (attached	2	
J	Schedule M-3 (attached		
	Line Description	Line Amount	Write in / Literal / Attachment
1		Line Amount	Write-in / Literal / Attachment
<u>1a</u>	Gross receipts or sales	\$2,512,000	
1b	Less returns and allowances	**	
<u>1c</u>	Balance	\$2,512,000	
2	Cost of goods sold (Sch A, line 8)	\$576,000	
3	Gross profit. Subtract line 2 from 1c	\$1,936,000	
4	Net rental real estate income (loss)		
5	Net income(loss) other rental act		
6	Ordinary income (loss) other partner		
7	Net farm profit (loss)		
8	Excess of net short-term gain over net		
	long-term capital loss (SchD, line 14)		
9	Net gain (loss) Form 4797, Part II, line 17		
10	Other income (loss)		
11	Total income (loss) Combine lines 3 -10	\$1,936,000	
12	Salaries and wages	\$1,750,000	
12	Guaranteed payments to partners		
		\$224.165	
14	Repairs and maintenance	\$224,165	
15	Bad debts		
16	Rent		
17	Taxes and licenses		
18	Interest		
19a	Depreciation & section 179 expense		
19b	Less depreciation claimed on Sch A		
19c	Total depreciation		
20	Depletion	\$148,180	
21	Retirement plans, etc		
22	Employee benefit programs		
23	Other deductions	\$226,740	Attachment 1
24	Total deductions. Add lines $12 - 23$	\$599,085	
25	Taxable income (loss) from passive loss	4077,000	
<u> </u>	(Subtract Line 24 from Line 11	\$1,336,915	
26a	Tax check if from Form 4255	\$1,330,915	
	Tax check if from Form 8611		
26b			
27a	Other payments check if Form 2439		
27b	Other payments check if Form 4136		
28	Tax due. Excess line 26 over line 27		
29	Overpayment. Excess line 27 over 26		<u> </u>
	Taxable Income or Loss From Other Acti		
1	Interest	\$550	
2a	Total ordinary dividends		
2b	Qualified dividends		

Form	1065-B Test U.S. Return of Incon	ne for Electing Large Pa	artnerships	2006
2c	Nonqualified dividends. Subtract Line 2b			2000
-	from 2a			
3	Gross royalties			
4	Excess of net short-term capital gain over			
	net long-term capital loss Schedule D line			
	17			
5	Other income (loss)			
6	Total income (loss) Add lines 1, 2c, 3, 4,			
	and 5	\$550		
7	Interest expenses investments debts			
8	State and local income taxes			
9	Charitable contributions			
10a	Total misc itemized deductions			
10b	Deductible amount Multiply line 10a by			
	30%			
11	Other deductions			
12	Total deductions. Add lines 7, 8, 9, 10b, and 11			
13	Taxable income (loss) from other			
	activities. Subtract line 12 from line 6	\$550		
Sched				
1	Inventory at beginning of year			
2	Purchases less cost of items			
3	Cost of labor			
4	Additional section 263A costs			
5	Other costs	\$576,000	Attachment 2	
6	Total. Add lines 1 – 5	\$576,000		
7	Inventory at the end of year			
8	Cost of goods sold. Subtract Line 7 from 6	\$576,000		
9a (i)	Cost in regulations section 1.471-3			
9a (ii)	Lower of cost or market 1.471-4			
9a (iii)	Other			
9b	Check if writedown subnormal goods			
9c	Check if the LIFO was adopted			
9d	Section 263A rules apply			
9e	Change in determining quantities, cost,			
	valuations			
Sched	ule B Other Information			
1a	Domestic general partnership			
1b	Domestic limited partnership			
1c	Domestic limited liability company			
1d	Domestic limited liability partnership	X		
1e	Foreign partnership			
1f	Other	. -		
2	Any partners in this partnership also partnerships?	Ν		
3	Partnership own interest in another partnership or foreign entity?	Ν		
4	Partnership have foreign partners?	Ν		
5	Partnership publicly traded partnership?	N		
6	Partnership file Form 8264?	N		
7	Partnership have an interest in or a	N		
	signature, or other authority over			
	financial account in foreign country?			

Form	1065-B Test	U.S. 1	Return of Inco	me for Electing	Large P	artnerships	2006
8	Partnership rec	ceive distribut	ion from,	Ν			
	granter of, tran						
9	Number of For			0			
S	chedule D Cap						
				and LossesA	ssets Hel		
	Description	Date	Date Sold	Sales Price		Cost or other	Gain or Loss
	of Property (a)	acquired (b)	(c)	(d)		basis (e)	(Subtract (e) from (d))
	(u)	(0)		(u)			(f)
1							
2	Short-term cap	vital gain insta	llmont solos				
2	from Form 625						
3	Short-term cap						
4	Net short-term						
	Combine lines						
	Part	II – Long-Te	rm Capital Ga	ins and Losses -	- Assets	Held More Than	1 Year
	Description	Date	Date Sold	Sales Price		Cost or other	Gain or Loss
	of Property	acquired				basis	(Subtract (e)
	(a)	(b)	(c)	(d)		(e)	from (d)
_							(f)
5							
6	Gain from For				\$2,500		
7	Lone-term cap						
-	from Form 625						
8	Long-term cap				AA FAA		
9	Net long-term Combine lines				\$2,500		
			ary of Parts I	and II			
10	Net gain (loss)				\$2,500		
11	Excess net sho				,200		
	over net long-t						
12	Net capital gai	n or (loss). Su	btract line 11		\$2,500		
	from line 10						
10				s) from Passive 1	Loss Lin	itation Activities	
13	Redetermine a						
	into account or passive loss lin						
14	Excess of net s						
	net long-term						
		ine 11 or 13					
	of amount on i	mount line 12	by taking				
15	Redetermine a						
15	Redetermine a into account or	nly gains and	losses from				
15	Redetermine a into account or passive loss lin	nly gains and nitations activ	losses from vities				
15 16	Redetermine a into account or passive loss lin Net capital gai	nly gains and nitations activ n or (loss) fro	losses from vities m passive				
	Redetermine a into account or passive loss lin Net capital gai loss limitation	nly gains and nitations activ n or (loss) fro activities. If l	losses from vities m passive ine 12 & 15				
	Redetermine a into account or passive loss lin Net capital gai	nly gains and <u>mitations activ</u> n or (loss) fro activities. If l poth -, enter sn	losses from vities m passive ine 12 & 15				

	065-B Test U.S. Return of Income f	for Electing Large Par	rtnerships	2006
17	Excess of net short-term capital gain over			
	net long-term capital loss. Subtract line			
	14 from line 11			
18	Net capital gain or (loss) from other	\$2,500		
	activities. Subtract line 16 from line 12			
S	chedule K Partners' Share of Income, Credit	s, Deductions, ect.		
	(a) Distributive share items (b) Te	otal amount		
1a	Taxable income(loss) from passive limitation activities (Part I line 25)	\$1,336,915		
1b(1)	Taxable income (loss) from trade or business activities	\$66,458		
1b(2)	Taxable income (loss) from rental real estate activities			
1b(3)	Taxable income (loss) from other rental activities			
1c	Total amount line 1a allocated to general partners. Combine lines 1b(1) – 1b(3)	\$668,458		
1d	Taxable income (loss) from passive loss limitation activities allocated to limited part. Subtract line 1c from 1a	\$668,457		
2	Taxable income (loss) from other activities (Part II, line 13)	\$550		
3	Qualified dividends from other activities (Part II, line 2b)			
4a	Net capital gain (loss) from passive loss limitation activities (SchD, ln 16)			
4b	Net capital gain (loss) from other activities (Schedule D, line 18)	\$2,500		
5	Net passive alternative minimum tax			
6	Net other alternative minimum tax adj			
7	Guaranteed payments			
8	Income discharge of indebtedness			
9	Tax-exempt interest income			
10	General credits			
11	Low-income housing credit			
12	Rehabilitation credit from real estate activities			
1 3 a	Net earnings (loss) self employment	\$668,458		
13b	Gross nonfarm income			
14a	Name of foreign country or U.S. possession			
14a	Name of foreign country or U.S. possession			
14b	Gross income from all sources			
14c	Gross income sourced at partnership level			
14d(1)	Foreign gross income at partnership level – Passive			
14d(2)	Foreign gross income at partnership level - Listed categories			
14d(3)	Foreign gross income at partnership level - General limitation			
14e(1)	Deduction allocated and apportioned at partner level - Interest expense			
14e(2)	Deduction allocated and apportioned at partner level –Other			

For	orm 1065-B Test U.S. Return of Income for Electing Large Partnerships 2006										
14f(1) De	duction	ns allo	cated and a				0 0		-	
				el to foreign	n source	:					
		ome –									
14f(If(2) Deductions allocated and apportioned at partnership level to foreign source										
4.4.00				categories		1 .					
14f(cated and a							
				el to foreign							
14g				al limitatio xes Paid □		d					
14g 14h				$\frac{1}{1}$ xes availab							
141				amounts r							
15				tely to part		10 00					
				come (Loss					1		
1				Column (b)		es 1c					
				result, subt			\$1,	339,965			
	15g(1)	and (2))								
	(i) Corp	orate	(ii		(iii)		(iv) Partr	nership		Exempt	(vi) Nominee
				lividual	Indivi				org	anization	Other
			\ \	ctive)	(passi	ve)					
2a	Analys		\$6	69,982							
	Genera										
2b	partner: Analys				\$669,9	192					
20	by Lim				\$009,	703					
	partner										
Sch	edule L		ince S	heets per	Books				1		
				Beginni	ng of ta	x year		End	of ta	x year	Write-in /
											Literal
		Assets		(a))		(b)	(c)		(d)	
1	Cash						\$565,010		_	\$855,185	
2a 2b		e notes allowa							-		
3		ntories									
4		govt ol	hlig								
5		exempt									
	secu	rities									
6	Othe	r curre	nt								
	asset					\$1	,860,720			\$1,910,111	Attachment 4
7		gage &	z real								
	estat	e loan									
8	Othe	r									
		stments	5								
9a		s & oth									
		ec asset		ļ							
9b		accum									
10		deprec			10 0 (0				10		-
10a 10b		etable : accum		\$3,14	40,260			\$3,375,1	12		
100		deplet		\$3'	75,140	¢ว	,765,120	\$523,3	20	\$2,851,792	
11	Land	-	1011	φ 3	, 3,140	<u>ک</u> ون	\$10,000	<i>\$343,3</i>		<u>\$2,831,792</u> 0	
11 12a		gible a	ssets				\$10,000				
12a		accum		1							
		tizatio									
12				1							
13	Othe	r assets	<u> </u>								

Form	1065-B Test	U.S. Return of	of Incon	ne for Ele	ecting Large Pa	artnerships	2006
	Liabilities	(a)		b)	(c)	(d)	I
15	Accounts			/			
	payable		\$	470,588		\$\$205,366	
16	Mortgages,						
	notes, bonds						
	payable < 1yr						
17	Other current						
	liabilities						
18	All nonrecourse						
	loans		\$2,	254,137		\$1,205,380	
19	Mortgages,						
	notes, bonds						
	payable > 1yr						
20	Other liabilities						
21	Partners' capital						
	accounts		<u>\$2,</u>	476,125		\$4,206,342	
22	Total labilities						
	and capital		/	200,850		\$5,617,088	
Sched	ule M-1 Reconci	liation of Income	(Loss)				
	Line Description			Line A		Write-in / Literal	
1	Net Income (loss)				\$1,357,037		
2	Income included o						
	and 8, not recorded	d on the books this	s year				
	(itemized):						
3	Guarenteed payme						
4a	Expenses recorded	l on books not incl	luded				
	SchK line 1c – 4b,						
	Depreciation	/					
4b	Expenses recorded						
	SchK line 1c – 4b,	and 15g (itemize)) -				
	Travel & entertain	ment			\$57,140		
4	Total Expenses						
5	Add lines $1 - 4$				\$1,414,177		
6a	Income recorded of						
	SchK, lines 1c – 4	, and 8 (itemize) -	Tax-				
	exempt interest						
6	Total Income						
7a	Deductions includ						
	4b, and 15g not ch		k				
	(itemize) – Deprec	ciation			\$74,212		
8	Add lines 6 and 7				\$74,212		
9	Income (loss) (An						
	(loss) line 1). Subt				\$1,339,965		
Sched		s of Partners' Ca	pital Ac	counts			
1	Balance at beginni				\$2,476,125		
2a	Capital contributed						
2b	Capital contributed						
3	Net income (loss) per books				\$1,357,037		
4	Other increases (itemized)				\$373,180		
5	Add lines 1 through	sh 4			\$4,206,342		
6a	Distributions – Ca			1	, ,		
6b	Distributions - Pro			1			
7	Other decreases (in			1			
	Add lines 6 and 7			1			
8							
<u>8</u> 9	Balance at end of	vear. Subtract line	8				

Form 4	797 Sales of Busines	s Property	2006
Name:	ABC Oil and Gas LP	I V	
EIN: 69	9-0000006		
	Line Description	Line Amount	Write-in / Literal / Attachments
1	Gross receipts fm sales or exchg		
Part I		n a Trade or Busir	ness
2(a)	Description of property	Land	
2(b)	Date acquired	07/01/2000	
2(c)	Date sold	06/30/2006	
2(d)	Gross sales price	\$12,500	
2(e)	Depreciation allowed		
2(f)	Cost or other basis	\$10,000	
2(g)	Gain or (loss)	\$2,500	
3	Gain fm F4684		
4	Sec 1231 gain fm F6252		
5	Sec 1231 gain fm F8824		
6	Gain fm casualty or theft		
7	Combine lines 2 to 6		
8	Nonrecaptured net sec 1231 loss		
9	Subtract line 8 from line 7		
Part II			
10(a)	Description of property		
10(b)	Date acquired		
10(c)	Date sold		
10(d)	Gross sales price		
10(e)	Depreciation allowed		
10(f)	Cost or other basis		
10(g)	Gain or loss		
11	Loss fm line 7		
12	Gain fm line 7		
13	Gain fm line 31		
14	Net gain F4684		
15	Ordinary gain F6252		
16	Ordinary gain F8824		
17	Combine lines 10 to16		
18a	Part of loss F4684		
18b	Redetermined gain or (loss) on line 17		
Part II	<u> </u>	der Sections 1245,	1250, 1252, 1254 and 1255
19(a)	Description of property		
19(b)	Date acquired		
<u>19(c)</u>	Date sold		
20	Gross sales price		
21	Cost or other basis		
22 23	Depreciation allowed	+	
23	Adjusted basis Total gain	+	
24 25a	Depreciation allowed		
25a 25b	Smaller of lines 24 and 25a		
250 26a	Additional depreciation after 1975		
20a 26b	Additional depreciation after 1975 Applicable %		
260 26c	Subtract line 26a from line 24		
26d	Additional depreciation after 1969		
20u	Line Description	Line Amount	Write-in / Literal / Attachments
26e	Smaller of lines 26c and 26c		
26f	Sinance of miles 20e and 20e Sec 291 amount		
26g	Add lines 26b,26e and 26f		
40g	1 iau iiios 200,200 and 201	1	

Form 4	4797	Sales of Busines	s Property	2006	
27a	Soil, water, land				
27b	Line 27 multiplied by	applicable %			
27c	Smaller of lines 24 ar	nd 27b			
28a	Intangible drilling				
28b	Smaller of lines 24 ar	nd 28a			
29a	Applicable % of payr	nent excluded			
29b	Smaller of lines 24 ar	nd 29a			
30	Total gain all propert	у			
31	Add property column	s A – D			
32	Subtract line 31 from	line 30			
Part IV	Recapture Amount	s Under Sections	179 and 280F(b)(2))	
33(a)	Sec 179 expn ded – S	ec 179			
33(b)	Sec 179 expn ded – Sec 280F(b)				
34(a)	Recomputed deprc –	Sec 179			
34(b)	Recomputed deprc- S	lec280F(b)			
35(a)	Recapture amount – S	Sec 179			
35(b)	Recapture amount – S	Sec 280F(b)			

	h K-1 Partner's Share of Income, (Loss) From an Electing Large 2006 Orm 1065-B) Partnership					
	Corrected 🗆					
	Publicly Traded Partn	ership 🗆				
	Line Description		Line Amount	Write-in / Literal / Attachments		
	Partnership's name, ad	dress, city, state, and	ABC Oil and Gas LP			
	Zip code		28 Oil Rig Rd			
			Anytown, TX 79001			
		r identification number	69-000006			
	Partner's Identifying r	umber	000-50-0001			
	Partner's Name		Jonathan Walker			
	Street address		1657 E Forks Rd			
	City, state and zip cod	e	Bay Shore, NY 11706			
a	Partner's share of liab		\$602,690			
b	Partner's share of liab					
c	Partner's share of liab					
1		from passive activities	\$668,457			
2	Taxable income (loss)	from other activities	\$275			
3	Qualified dividends					
4 a		from passive activities				
4b	Net capital gain (loss)		\$1,250			
5	Net passive AMT adju	Istments				
6	Net other AMT adjust	ments				
7	General Credits					
8	Low-income housing	credit				
9	Other					

	h K-1 Partner's Share of Income, (Loss) From an Electing Large 2006 Partnership 2006					
(Corrected \Box					
	Publicly Traded Partn	ership 🗆				
	Line Description		Line Amount	Write-in / Literal / Attachments		
	Partnership's name, ad	dress, city, state, and	ABC Oil and Gas LP			
	Zip code		28 Oil Rig Rd			
			Anytown, TX 79001			
	Partnership's employe	r identification number	69-0000006			
	Partner's Identifying r	umber	000-50-0002			
	Partner's Name		Julius Caesar Walker			
	Street address		1657 E Forks Rd			
	City, state and zip cod	e	Bay Shore, NY 11706			
a	Partner's share of liab	ilities – nonrecourse	\$602,690			
b	Partner's share of liab					
c	Partner's share of liab	ilities – other				
1	Taxable income (loss)	from passive activities	\$668,458			
2	Taxable income (loss)	from other activities	\$275			
3	Qualified dividends					
4 a	Net capital gain (loss)	from passive activities				
4b	Net capital gain (loss)		\$1,250			
5	Net passive AMT adju	istments				
6	Net other AMT adjust	ments				
7	General Credits					
8	Low-income housing	credit				
9	Other					

TEST SCENARIO 7

FORMS REQUIRED: 1065-B, 4562, 8825, 1065-B SCH K-1 (2), Form 8453-B, DEPENDENCIES

ATTACHMENTS:

Itemized Other Deductions Schedule Schedule K-1(Form 1065-B) Miscellaneous Item Statement Qualified Nonrecourse Financing Statement

BINARY ATTACHMENTS: Scanned Form 8453-B (8453 Signature Document)

HEADER INFO:

Tax Period: Calendar Year 2006

Preparer Firm	Electronic Tax Filers, Inc	69-0000007
	1065 Efile Drive	
	Anytown, WV 25001	

MultipleSoftwarePackagesUsed: Yes or No

Originator: EFIN: Self-select Type: ERO PractionerPIN: None PIN Entered by – N/A

Signature Option: Binary Attachment 8453 Signature Document

Return Type: 1065-B

Filer:	EIN: 69-0000007 Name: ABC Cement Manufacturing Name Control: ABCC Address: 100 Concrete Ln Anytown, MN 55001
Partner:	Name: John Macbeth Title: President Taxpayer PIN: N/A Phone: 555-555-5555 Email Address: Anymail@email.com Date Signed: 04/06/2006
Preparer:	Name: Jane Jones SSN: 000-60-6666 Phone: 555-555-5555 Email Address: Anymail@email.com Date Prepared: 04/12/2006 Self Employed: No

IRS PAYMENT: N/A

Details for attachments to Form

Attachment 1, Form 1065-B, Page 1, Line 23(Itemized Other Deductions Schedule)

Туре	Amount
Professional Fees	\$558,000
Permits	\$125,000
Insurance	\$325,000
Other	\$544,700

Attachment 2, Schedule K-1 (Form 1065-B), (Miscellaneous Item Statement)

Code Number	Code Name	Amount
A1	General Partners	\$34,770,193
B1	N/A	\$242,500

Attachment 3, Schedule K-1 (Form 1065-B), (Qualified Nonrecourse Financing Statement)

Explanation of Qualified Nonrecourse Financing

	1065-B Test U.S. Return of Inco	me for Electing Large P	
		006, ending , 20	06
Α	Principal business activity	Cement Manufacturer	
В	Principal product or service	Cement	
С	Business code number	327300	
-	and Address:		
D	Employer Identification number	69-000007	
E	Date business started	01//19/1998	
F	Total assets	\$17,565,232	
G	Check applicable boxes 1,2,3,4	\$17,505,252	
H	Check accounting method 1,2,3	Accrual	
	Number of Schedule K-1		
I	Schedule M-3 Required (attach Schedule	2	
J	M-3)		
		Line Amount	Write-in / Literal / Attachment
	Line Description		write-in / Literal / Attachment
<u>1a</u>	Gross receipts or sales	\$41,175,200	
1b	Less returns and allowances		
1c	Balance	\$41,175,200	
2	Cost of goods sold (Sch A, line 8)	\$26,954,578	
3	Gross profit. Subtract line 2 from 1c	\$14,220,622	
4	Net rental real estate income (loss)	\$485,000	
5	Net income(loss) other rental act		
6	Ordinary income (loss) other partner		
7	Net farm profit (loss)		
8	Excess of net short-term gain over net		
	long-term capital loss (SchD, line 14)		
9	Net gain (loss) Form 4797, Part II, line 17		
10	Other income (loss)		
11	Total income (loss) Combine lines 3 -10	\$14,705,622	
12	Salaries and wages	\$2,162,319	
13	Guaranteed payments to partners	, ,	
14	Repairs and maintenance	\$1,036,752	
15	Bad debts		
16	Rent		
17	Taxes and licenses	\$1,414,186	
18	Interest	\$1,11,100	
19a	Depreciation & section 179 expense	\$314,279	
19b	Less depreciation claimed on Sch A	\$ 511 ,277	
190 19c	Total depreciation	\$314,279	
20	Depletion	\$148,180	
20	Retirement plans, etc	\$170,100	
21	Employee benefit programs	\$786,000	
22	Other deductions	\$1,522,700	Attachment 1
23	Total deductions. Add lines $12 - 23$	\$1,522,700	
24	Taxable income (loss) from passive loss	\$7,200,230	
43	(Subtract Line 24 from Line 11	\$7,439,386	
26a	Tax check if from Form 4255	\$7,437,380	
	Tax check if from Form 8611		
26b			
27a	Other payments check if Form 2439		
27b	Other payments check if Form 4136		
28	Tax due. Excess line 26 over line 27		
29	Overpayment. Excess line 27 over 26	•	
-	Taxable Income or Loss From Other Activit		
1	Interest	\$37,412	
<u>2a</u>	Total ordinary dividends		<u> </u>
2b	Qualified dividends		

Form 10	65-B Test U.S. Return of Incon	ne for Electing Large Pa	artnerships 2006
2c	Nonqualified dividends. Subtract Line 2b		
	from 2a		
3	Gross royalties		
4	Excess of net short-term capital gain over		
	net long-term capital loss Schedule D line		
	17		
5	Other income (loss)		
6	Total income (loss) Add lines 1, 2c, 3, 4,		
	and 5	\$37,412	
7	Interest expenses investments debts		
8	State and local income taxes		
9	Charitable contributions		
10a	Total misc itemized deductions		
10b	Deductible amount Multiply line 10a by		
	30%		
11	Other deductions		
12	Total deductions. Add lines 7, 8, 9, 10b,		
	and 11		
13	Taxable income (loss) from other		
	activities. Subtract line 12 from line 6	\$37,412	
Schedule			
1	Inventory at beginning of year	\$3,211,146	
2	Purchases less cost of items	\$22,247,630	
3	Cost of labor	\$4,312,216	
4	Additional section 263A costs	\$.,•1=,=10	
5	Other costs		
6	Total. Add lines $1-5$	\$29,770,992	
7	Inventory at the end of year	\$2,816,414	
8	Cost of goods sold. Subtract Line 7 from	\$26,954,578	
0	6	\$20,754,570	
9a (i)	Cost in regulations section 1.471-3		
9a (ii)	Lower of cost or market 1.471-4		
9a (iii)	Other		
9b	Check if writedown subnormal goods		
9c	Check if the LIFO was adopted		
9d	Section 263A rules apply		
9e	Change in determining quantities, cost,		
λ	valuations		
Schedule			
1a	Domestic general partnership		
1a 1b	Domestic limited partnership		
10 1c	Domestic limited liability company	X	
1d	Domestic limited liability partnership	Λ	
1u 1e	Foreign partnership		
le lf	Other		
2	Any partners in this partnership also	N	
2	partnerships?	11	
3	Partnership own interest in another	N	
5	partnership or foreign entity?	11	
1	Partnership have foreign partners?	N	
4		N	
5	Partnership publicly traded partnership?	N	
6	Partnership file Form 8264?	N	
7	Partnership have an interest in or a	Ν	
	signature, or other authority over		
0	financial account in foreign country?	NT.	
8	Partnership receive distribution from,	Ν	
	granter of, transferor to foreign trust?		

9 Number of Forms 8865 stached 0 1 Schedule D Capital Gains and Losses Part 1 - Short-Term Capital Gains and Losses Cost or other basis Gain or Loss 0 Description Date Sold Soles Price Cost or other basis Gain or Loss 1	Form 106	Form 1065-B TestU.S. Return of Income for Electing Large Partnerships2006							
$\begin{tabular}{ c c c c } \hline Part I - Short-Term Capital Gains and LassesAssets Held Ver or Less (Subtract (e) from (d) (f) (h) (h) (h) (h) (h) (h) (h) (h) (h) (h$	9	Number of For							
$\begin{tabular}{ c c c c } \hline Part I - Short-Term Capital Gains and LassesAssets Held Ver or Less (Subtract (e) from (d) (f) (h) (h) (h) (h) (h) (h) (h) (h) (h) (h$	Sche								
$ \begin{array}{ c c c } \hline Description & Date acquired acquired acquired acquired acquired by the second of Property acquired acquired acquired by the second of Property acquired by the second of Proper$					d Losses Assets Held 1	Year or Less			
of Property (a)acquired (b)acquired (c)basisbasis (c)(Subtract (e) from (d)1(Subtract (e) from (d)(I)12Short-term capital gain installment sales from Form 6252 Line 26 or 373Short-term capital gain (loss) Combine lines 1-3 in colurm (f)Part II - Long-Term Capital Gains and Losses - Assets Held More Than 1 Year Date (c)Cost or other basisGain or Loss (Subtract (e) from (d))50Net stort-term capital gain installment sales from form 6252 Line 26 or 37Sales PriceCost or other basisGain or Loss (Subtract (e) from (d))6Gain form Form 4797 Part I7Lone-term capital gain installment sales from form 6252 Line 26 or 378Long-term capital gain (loss). Combine lines 3-2 sin colurm (f)							Gain or Loss		
(a)(b)(c)(d)(e)(d)1				Dute Solu	Suids I live				
Image: constraint of the second se				(c)	(b)				
1		(u)	(0)	(0)	(4)	(0)			
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14 trom line 11		14 from line 11							

Form 106		me for Electing Large Pa	artnerships	2006
18	Net capital gain or (loss) from other			
	activities. Subtract line 16 from line 12			
	edule K Partners' Share of Income, Credi			
		otal amount		
1a	Taxable income(loss) from passive	\$7,439,386		
41 (4)	limitation activities (Part I line 25)	\$2.4 55 .400		
1b(1)	Taxable income (loss) from trade or business activities	\$3,477,193		
1b(2)	Taxable income (loss) from rental real estate activities	\$242,500		
1b(3)	Taxable income (loss) from other rental activities			
1c	Total amount line 1a allocated to general partners. Combine lines 1b(1) – 1b(3)	\$3,719,693		
1d	Taxable income (loss) from passive loss limitation activities allocated to limited part. Subtract line 1c from 1a	\$3,719,693		
2	Taxable income (loss) from other activities (Part II, line 13)	\$37,412		
3	Qualified dividends from other activities (Part II, line 2b)			
4a	Net capital gain (loss) from passive loss limitation activities (SchD, ln 16)			
4b	Net capital gain (loss) from other activities (Schedule D, line 18)			
5	Net passive alternative minimum tax			
6	Net other alternative minimum tax adj			
7	Guaranteed payments			
8	Income discharge of indebtedness			
9	Tax-exempt interest income			
10	General credits			
11	Low-income housing credit			
12	Rehabilitation credit from real estate activities			
13	Credit for producing fuel from nonconventional source			
13a	Net earnings (loss) self employment			
13b 14a	Gross nonfarm income Name of foreign country or U.S.			
1.41.	possession			
14b 14c	Gross income from all sources Gross income sourced at			
140	partnership level			
14d(1)	Foreign gross income at partnership level – Passive			
14d(2)	Foreign gross income at partnership level - Listed categories			
14d(3)	Foreign gross income at partnership level - General limitation			
14e(1)	Deduction allocated and apportioned at partner level - Interest expense			
14e(2)	Deduction allocated and apportioned at partner level -Other			
14f(1)	Deductions allocated and apportioned at partnership level to foreign source income – Passive			

Form 10)65-B Test	U.S. F	Return of Incom	e for Electing Large	Partnerships	2006
14f(2)		ns allocated and a				
		ip level to foreign				
		Listed categories				
14f(3)		ns allocated and a				
		ip level to foreign				
	income -	General limitation	n			
14g	Total for	eign taxes Paid	Accrued □			
14h	Reductio	n in taxes availab	le for credit			
15	Other iter	ms and amounts r	equired to be			
	reported	separately to parti	ners			
A	nalysis of Net	Income (Loss)				
1	Net income	e (loss). Column (b), add lines 1c			
	-4, 7, and	8. From result, su	ubtract lines	\$7,476,798		
	15g(1) and	(2)				
	(i)	(ii)	(iii)	(iv) Partnership	(v) Exempt	(vi) Nominee
	Corporate	Individual	Individual		organization	Other
	_	(active)	(passive)		-	
2a	Analysis	\$3,738,399				
	by					
	General					
	partners					
2b	Analysis		\$3,738,399			
	by Limited					
	partners					
	paraters					

Form 45	Form 4562 Depreciation and Amortization 2006								
Name: A	ABC Cement Manufacturing								
Business	s or Activity: Cement Manufacturing								
EIN: 69	-0000007								
	Line Description	Line Amount	Write-in / Literal / Attachments						
Part I									
1	Maximum amount	105,000							
2	Total cost of section 179 prop	\$80,500							
3	Threshold cost of section 179 prop	420,000							
4	Reduction in limitation	-							
5	Dollar limitation for TY	\$105,000							
6(a)	Description of Property	Dump Truck							
6(b)	Cost	\$80,500							
6(c)	Elected cost	\$80,500							
7	Listed property								
8	Total elected cost of sec 179 prop	\$80,500							
9	Tentative deduction	\$80,500							
10	Carryover of disallowed deduction								
11	Business income limitation	\$105,000							
12	Section 179 expense deduction	\$80,500							
13	Carryover of disallowed deduction								
Part II	Special Depreciation Allowance and Other	Depreciation							
14	Special depreciation allowed								
15	Property subject to sec 168(f)(1) election								
16	Other depreciation								
Part III	MACRS Depreciation	1							
17	MACRS deductions	\$280),063						
18	Sec 168(i)(4) election								

Section	B – Assets Placed in S	Service Duri	ng 2006 Tax '	Year Using t	he	General l	Depreciation	n System	
	(a)Classification of property	(b)Mont h & Year	(c) Basis for deprec	(d)Recover period		(e) Conven on	(f)Met		Write-in / Literal / Attach- ments
19a	3-year property								
19b	5-year property		\$120,000	5 yrs		HY	200DF	\$\$24,000	
19c	7-year property		\$256,500	7 yrs		HY	200DF		
19d	10-year property								
19e	15-year property								
19f	20-year property								
19g	25-year property						S/L		
19h	Residential rental					MM	S/L		
	property								
19i	Nonresidential real property			39 yrs		MM	S/L		
Section	C – Assets Placed in S	Service Duri	ing 2006 Tax	Year Using t	the	Alternati	ve Deprecia	tion System	
20a	Class life							Ť	
20b	12-year						S/L		
20c	40-year				М	Μ	S/L		
Part IV	Summary						•		
21	Listed property								
22	Total				\$3	340,717			
23	Assets for CY								
24a 24b	A – Depreciation and Evidence? Evidence written?								
25	Special depreciation	allowance							
26(a)	Type of property								
26(b)	Date in service	0/							
26(c)	Business investment	%							
26(d)	Cost or other basis								
26(e)	Basis for depreciatio	n							
$\frac{26(f)}{26(a)}$	Recovery period								
26(g) 26(h)	Method/Convention Depreciation deducti	ion							
26(i)	Election Sec 179 cos								
20(1) 27(a)	Type of property								
27(a) 27(b)	Date in service								
27(c)	Business investment	%							
27(d)	Cost or other basis	/ 0							
27(e)	Basis for depreciatio	n							
27(f)	Recovery period								
27(g)	Method/Convention								
27(h)	Depreciation deducti	ion							
27(i)	Election Sec 179 cos								
28	Add column (h), line								
29	Add column (i), line								
	B – Information on U		es						
30(a)	Total bus/invest mile								
31(a)	Total commuting mi	les driven							
32(a)	Tot other personal m								
33(a)	Total miles driven								

34	Vehicle available fo	r personal use?						
35	Vehicle used $> 5\%$?						
36	Another vehicle ava	il for personal use	e?					
Section	C – Questions for Ei	nployers Who Pi	rovide V	ehicl	es for Use	by Their Em	ployees	
37	Maint written policy	prohibits commu	ı?					
38	Maint written policy	y prohibits pers us	e					
39	Vehicles treated as	personal use?						
40	Provide > 5 vehicle	?						
41	Qualified auto demo	onstration use?						
Part VI	Amortization							
	(a)Depreciation of costs	(b) Date amort begins	(c) Ar amou		(d)Cod e section	(e)Amort period or percent	(f)Amort for this Yr	Write-in / Literal / Attachments
42								
43	Amort of costs before 2006 TY							
44	Total							

Form 882	Pa	eal Estate Income and Expenses or rtnership or an S Corporation	of a 2006
	BC Cement Manufacturing		
EIN: 69-0			
	Line Description	Line Amount / Information	Write-in / Literal / Attachments
1A	Kind & location of each property	Warehouse 200 Metamorphic Rd Anytown, MN 55001	
2A	Gross rents	\$615,000	
3A	Advertising	\$24,000	
4 A	Auto and travel		
5A	Cleaning and maintenance		
6A	Commissions		
7A	Insurance	\$26,500	
8A	Legal and other professional fees		
9A	Interest	\$42,312	
10A	Repairs		
11A	Taxes	\$10,750	
12A	Utilities		
13A	Wages and salaries		
14A	Depreciation	\$26,438	
15A	Other		
16A	Total expense for each property	\$130,000	
17	Total gross rents	\$615,000	
18	Total expenses	(\$130,000)	
19	Net gain (loss) F4797		
	Net income (loss) from rental real		
20a	estate activities		
20b(1)	Name		
20b(2)	EIN		
21	Net rental real estate income (loss)	\$485,000	

Sch K-	1	Partner's Share of In	come, (Loss) From an Elec	cting Large	2006
(Form 1065-B)			Partnership		
	Corrected \Box				
	Publicly Traded Partn	ership 🗆			
	Line Description		Line Amount	Write-in / L	literal / Attachments
	Partnership's name, ad	ldress, city, state, and	ABC Cement		
	Zip code		Manufacturing		
			100Concrete Ln		
			Anytown, MN 55001		
	Partnership's employe	r identification number	69-000007		
	Partner's Identifying r	number	000-60-0001		
	Partner's Name		John Macbeth		
	Street address		1168 Beech St		
	City, state and zip cod	le	Central Islip, NY 11722		
a	Partner's share of liab	ilities – nonrecourse			
b	Partner's share of liab	ilities – qualified	\$3,000,000		
c	Partner's share of liab	ilities – other			
1	Taxable income (loss)	from passive activities	\$3,719,693		
2	Taxable income (loss)	from other activities	\$18,706		
3	Qualified dividends				
4a	Net capital gain (loss)	from passive activities			
4b	Net capital gain (loss)				
5	Net passive AMT adju				
6	Net other AMT adjust	ments			
7	General Credits				
8	Low-income housing	credit			
9	Other		D1-\$35,353,410		

Sch K (Form	-1 n 1065-B)	Partner's Share of I	Income, (Loss) From an Elect Partnership	ting Large 2006
-	Corrected 🗆			
	Publicly Traded Partner	ship □		
	Line Description		Line Amount	Write-in / Literal / Attachments
	Partnership's name, add	ess, city, state, and Zip	ABC Cement	
	code		Manufacturing	
			100Concrete Ln	
			Anytown, MN 55001	
	Partnership's employer i		69-000007	
	Partner's Identifying nu	mber	000-60-0002	
	Partner's Name		John Capulet	
	Street address		1175 Beech St	
	City, state and zip code		Central Islip, NY 11722	
a	Partner's share of liabili	ties – nonrecourse		
b	Partner's share of liabili	ties – qualified	\$3,000,000	
c	Partner's share of liabili	ties – other		
1	Taxable income (loss) fi	om passive activities	\$3,719,693	
2	Taxable income (loss) fi	om other activities	\$18,706	
3	Qualified dividends			
4 a	Net capital gain (loss) fr	om passive activities		
4b	Net capital gain (loss) fr			
5	Net passive AMT adjust			
6	Net other AMT adjustm	ents		
7	General Credits			
8	Low-income housing cr	edit		
9	Other			

FORMS REQUIRED: 1065-B, 8308, 1065-B SCH K-1 (101)

ATTACHMENTS: Itemized Other Deductions Schedule

BINARY ATTACHMENTS: None

HEADER INFO:

Tax Period: Calendar Year 2006

Preparer Firm Electronic Tax Filers, Inc 69-0000008 1065 Efile Drive Anytown, WV 25001

MultipleSoftwarePackagesUsed: Yes or No

Originator: EFIN: Self-select Type: ERO PractionerPIN: EFIN: Self-select PIN: Self-select PIN Entered by – ERO

Signature Option: PIN Number

Return Type: 1065-B

Filer:	EIN: 69-000008
	Name: Black Coal Industries LLC
	Name Control: BLAC
	Address: 100 Main St
	Anytown, WV 25001

Partner: Name: Bubba Christmas Title: Chief Executive Officer Taxpayer PIN: N/A Phone: 555-5555 Email Address: Anymail@email.com Date Signed: 03/15/2006

Preparer: Name: John Dark SSN: 000-70-7777 Phone: Email Address: Anymail@email.com Date Prepared: 04/01/2006 Self Employed: No

IRS PAYMENT: N/A

Details for attachments to Form

Attachment 1, Form 1065-B, Page 1, Line 23 (Itemized Other Deductions Schedule)

Туре	Amount
Engineering	\$2,168,140
Permits	\$1,400,000
Legal and Accounting	\$1,600,320
Consulting	\$385,914

		me for Electing Large Pa	artnerships 2006
Calenc	dar Year 2006 or tax year beginning	, 2006, ending ,	2006
Α	Principal business activity	Mining	
В	Principal product or service	Coal	
С	Business code number	212110	
Name	and Address:		•
D	Employer Identification number	69-000008	
Е	Date business started	08/03/1998	
F	Total assets	\$20,440,320	
G	Check applicable boxes 1,2,3,4		
Н	Check accounting method 1,2,3	Accrual	
I	Number of Schedule K-1	102	
J	Schedule M-3 Required (attach Schedule	102	
9	M-3)		
	Line Description	Line Amount	Write-in / Literal / Attachment
1.		-	Witte-m / Efter al / Attachment
1a	Gross receipts or sales	\$101,256,342	
1b	Less returns and allowances	0101 0 <i>FC</i> 040	
1c	Balance	\$101,256,342	
2	Cost of goods sold (Sch A, line 8)	\$58,332,511	
3	Gross profit. Subtract line 2 from 1c	\$42,923,831	
4	Net rental real estate income (loss)		
5	Net income(loss) other rental act		
6	Ordinary income (loss) other partner		
7	Net farm profit (loss)		
8	Excess of net short-term gain over net		
	long-term capital loss (SchD, line 14)		
9	Net gain (loss) Form 4797, Part II, line 17		
10	Other income (loss)		
11	Total income (loss) Combine lines 3 -10	\$42,923,831	
12	Salaries and wages	\$12,487,136	
13	Guaranteed payments to partners		
14	Repairs and maintenance	\$2,612,540	
15	Bad debts		
16	Rent	\$1,720,000	
17	Taxes and licenses	\$4,106,315	
18	Interest		
19a	Depreciation & section 179 expense		
19b	Less depreciation claimed on Sch A		
19c	Total depreciation		
20	Depletion	\$3,750,225	
21	Retirement plans, etc	\$C, CO, 2 C	
22	Employee benefit programs	\$1,218,412	
23	Other deductions	\$5,554,374	Attachment 1
23	Total deductions. Add lines $12 - 23$	\$31,449,002	
25	Taxable income (loss) from passive loss	Ψσ1,ττ/,002	
_ 3	(Subtract Line 24 from Line 11	\$11,474,829	
26a	Tax check if from Form 4255	Ψ11,Τ/Τ,04/	
26b	Tax check if from Form 8611		
200 27a	Other payments check if Form 2439		
27a 27b	Other payments check if Form 4136		
28	Tax due. Excess line 26 over line 27		
29	Overpayment. Excess line 27 over 26		L
4	Taxable Income or Loss From Other Acti		
1	Interest	\$357,610	
2a	Total ordinary dividends		
2b	Qualified dividends		<u> </u>

Form	1065-B Test U.S. Return of Income f	or Electing Large Partner	ships 2006
2c	Nonqualified dividends. Subtract Line 2b		I
	from 2a		
3	Gross royalties	\$1,569,721	
4	Excess of net short-term capital gain over		
	net long-term capital loss Schedule D line		
	17		
5	Other income (loss)		
6	Total income (loss) Add lines 1, 2c, 3, 4,		
	and 5	\$37,412	
7	Interest expenses investments debts		
8	State and local income taxes		
9	Charitable contributions		
10a	Total misc itemized deductions		
10b	Deductible amount Multiply line 10a by		
100	30%		
11	Other deductions		
12	Total deductions. Add lines 7, 8, 9, 10b,		
	and 11		
13	Taxable income (loss) from other		
	activities. Subtract line 12 from line 6	\$1,569,721	
Sched		<i><i>(</i>1,00), <i>(</i>1)</i>	
1	Inventory at beginning of year	\$5,650,225	
2	Purchases less cost of items	\$57,478,827	
3	Cost of labor	\$1,425,622	
4	Additional section 263A costs	\$1,723,022	
5	Other costs		
6		<i>ФСА 554 (74</i>)	
	Total. Add lines 1 – 5	\$64,554,674	
7	Inventory at the end of year	\$6,222,163	
8	Cost of goods sold. Subtract Line 7 from	\$58,332,511	
0 (*)	6		
9a (i)	Cost in regulations section 1.471-3		
9a	Lower of cost or market 1.471-4		
(ii)	0.1	X	
9a	Other		
(iii)			
9b	Check if writedown subnormal goods		
9c	Check if the LIFO was adopted		
9d	Section 263A rules apply	No	
9e	Change in determining quantities, cost,	No	
~ -	valuations		
Sched			
1a	Domestic general partnership		
1b	Domestic limited partnership		
1c	Domestic limited liability company	X	
1d	Domestic limited liability partnership		
1e	Foreign partnership		
1f	Other		
2	Any partners in this partnership also	Ν	
	partnerships?		
3	Partnership own interest in another	Ν	
	partnership or foreign entity?		
4	Partnership have foreign partners?	Ν	
5	Partnership publicly traded partnership?	Ν	
6	Partnership file Form 8264?	N	
7	Partnership have an interest in or a	N	
	signature, or other authority over		
	financial account in foreign country?		

Form	1065-B Test	U.S.	Return of Inco	me for Electing La	rge Partnerships	2006
8	Partnership re			N		
	granter of, trai	nsferor to fore	ign trust?			
9	Number of Fo	rms 8865 atta	ched	0		
S	Schedule D Cap					
		I - Short-Terr			ts Held 1Year or Less	
	Description	Date	Date Sold	Sales Price	Cost or other	Gain or Loss
	of Property	acquired	()	(1)	basis	(Subtract (e)
	(a)	(b)	(c)	(d)	(e)	from (d))
1						(f)
1						
2	Short-term cap	oital gain insta	allment sales			
_	from Form 62					
3	Short-term cap	oital (loss) For	rm 8824			
4	Net short-term					
	Combine lines					
					ssets Held More Than	
	Description	Date	Date Sold	Sales Price	Cost or other	Gain or Loss
	of Property (a)	acquired (b)	(c)	(d)	basis (e)	(Subtract (e) from (d))
	(a)	(0)	(C)	(u)	(6)	(f)
5						
e						
6	Gain from For					
7	Lone-term cap					
0	from Form 62					
<u>8</u> 9	Long-term cap Net long-term					
9	Combine lines					
			ary of Parts I	and II		
10	Net gain (loss)					
11	Excess net sho					
	over net long-	term capital lo	oss (line 9)			
12	Net capital gat	in or (loss). Su	ubtract line 11			
	from line 10					
12				s) from Passive Los	s Limitation Activities	
13	Redetermine a into account o					
	passive loss lin					
14	Excess of net					
	net long-term					
	of amount on		-			
15	Redetermine a					
	into account o					
	passive loss li					
16	Net capital ga					
	loss limitation					
	are both $+$ or t 12 or 15, other		namer of line			
	1 12 01 13.0000			Other Activities		

Form	1065-B Test U.S. Return of Inco	me for Electing Large Pa	rtnerships	2006
17	Excess of net short-term capital gain over			
	net long-term capital loss. Subtract line			
	14 from line 11			
18	Net capital gain or (loss) from other			
	activities. Subtract line 16 from line 12			
	Schedule K Partners' Share of Income, Cr	edits, Deductions, ect.		
	(a) Distributive share items (l	b) Total amount		
1a	Taxable income(loss) from passive	\$11,474,829		
	limitation activities (Part I line 25)			
1b(1)	Taxable income (loss) from trade or			
	business activities			
1b(2)	Taxable income (loss) from rental real			
	estate activities			
1b(3)	Taxable income (loss) from other rental			
	activities			
1c	Total amount line 1a allocated to general			
1.4	partners. Combine lines $1b(1) - 1b(3)$	\$11,474,829		
1d	Taxable income (loss) from passive loss limitation activities allocated to limited	\$11,474,829		
	part. Subtract line 1c from 1a			
2	Taxable income (loss) from other	\$1,569,721		
2	activities (Part II, line 13)	\$1,507,721		
3	Qualified dividends from other activities			
5	(Part II, line 2b)			
4a	Net capital gain (loss) from passive loss			
	limitation activities (SchD, ln 16)			
4b	Net capital gain (loss) from other			
	activities (Schedule D, line 18)			
5	Net passive alternative minimum tax			
6	Net other alternative minimum tax adj			
7	Guaranteed payments			
8	Income discharge of indebtedness			
9	Tax-exempt interest income			
10	General credits			
11	Low-income housing credit			
12	Rehabilitation credit from real estate			
	activities			
13	Credit for producing fuel from			
	nonconventional source			
13a	Net earnings (loss) self employment			
14b	Gross nonfarm income			
15a	Name of foreign country or U.S.			
154	possession Gross income from all sources			
15b 15c	Gross income from all sources Gross income sourced at			
150	partnership level			
15d(Foreign gross income at partnership level			
13u(1)	- Passive			
1) 15d(Foreign gross income at partnership level			
2)	- Listed categories			
15d(Foreign gross income at partnership level			
3)	- General limitation			
15e(Deduction allocated and apportioned at			
1)	partner level - Interest expense			
15e(Deduction allocated and apportioned at			
2)	partner level -Other			

Form	1065-B Test		U.S. R	eturn of Incom	e for Electing Large	Partnerships	2006
15f(1	Deductions allocated and apportioned at			ortioned at	<u> </u>		
)	partnership level to foreign source income			ource income			
	- Passive						
15f(2	Deductions	allocated	and app	ortioned at			
)	partnership	level to fo	oreign so	ource income			
	- Listed cat	egories	-				
15f(3	Deductions	allocated	and app	ortioned at			
)	partnership	level to fo	oreign so	ource income			
	- General li		-				
15g	Total foreig	gn taxes Pa	aid 🗆 Ac	crued			
15h	Reduction i	n taxes av	ailable f	or credit			
16	Other items	and amou	ints requ	ired to be			
	reported se	parately to	partner	s			
1	Analysis of N	let Incom	e (Loss)				
1	Net income	(loss). Co	olumn (b), add lines 1c -			
	4, 7, and 8.	From res	ult, subt	ract lines 15g(1)	\$13,044,550		
	and (2)						
	(i)	(ii)		(iii)	(iv) Partnership	(v) Exempt	(vi) Nominee
	Corporate	Individ	dual	Individual		organization	Other
		(active	e)	(passive)			
2a	Analysis						
	by						
	General						
2 h	partners			\$12.044.550			
2b	Analysis by			\$13,044,550			
	Limited						
	partners						

Form 8308	Report of a Sale o Interests	r Exchange of Certain Partnership	2006	
Name of Partnership:	Inter ests	Black Coal Industries		
Telephone number:		(555)555-5555		
Employer identification number:		69-0000003		
Number, street, and room or suite		100 Main St		
City or Town, State and Zip Code		Anytown, WV 25001		
Part I Transferor Information	l	• • •		
Name		Bronco Juno		
Identifying number		000-70-0002		
Number and street		300 Main St		
City or Town, State and Zip Code		Anytown, WV 25001		
Part II Transferee Information	1			
Name		Bubba Christmas		
Identifying number		000-70-0001		
Number and street		200 Main St		
City or Town, State and Zip Code	City or Town, State and Zip Code			
City or Town, State and Zip Code Anytown, WV 25001 Part III Date of Sale or Exchange of Partnership Interest				

Sch	K-1	Partner's Share of In	come, (Loss) From an Elec	cting Large 2006
(For	m 1065-B)		Partnership	
	Corrected \Box			
	Publicly Traded Partn	ership 🗆		
	Line Description		Line Amount	Write-in / Literal / Attachments
	Partnership's name, ad	dress, city, state, and	Black Coal Industries,	
	Zip code		LLC	
			100 Main St	
			Anytown, WV 25001	
		r identification number	69-000008	
	Partner's Identifying r	number	000-70-1001	
	Partner's Name		Taxpayer B1	
	Street address		1001 Main St	
	City, state and zip cod		Anytown, WV 25001	
Α	Partner's share of liab	ilities – nonrecourse	\$52,635	
В	Partner's share of liab	ilities – qualified		
С	Partner's share of liab	ilities – other		
1	Taxable income (loss)	from passive activities	\$114,748	
2	Taxable income (loss)	from other activities	\$15,697	
3	Qualified dividends			
4 a	Net capital gain (loss) from passive activities			
4b	Net capital gain (loss) from other activities			
5	Net passive AMT adjustments			
6	Net other AMT adjustments			
7	General Credits			
8	Low-income housing	credit		
9	Other			

Sch		Partner's Share of In	come, (Loss) From an Ele	cting Large 2006
(For	m 1065-B)		Partnership	
	Corrected \Box			
	Publicly Traded Partn	ership 🗆		
	Line Description		Line Amount	Write-in / Literal / Attachments
	Partnership's name, ad	dress, city, state, and	Black Coal Industries,	
	Zip code		LLC	
			100 Main St	
			Anytown, WV 25001	
		r identification number	69-000008	
	Partner's Identifying r	number	000-70-0001	
	Partner's Name		Bubba Christmas	
	Street address		200 Main St	
	City, state and zip cod		Anytown, WV 25001	
Α	Partner's share of liab		\$26,318	
B	Partner's share of liab	ilities – qualified		
С	Partner's share of liab			
1	Taxable income (loss)	from passive activities	\$57,374	
2	Taxable income (loss)	from other activities	\$7,849	
3	Qualified dividends			
4 a	Net capital gain (loss) from passive activities			
4b	Net capital gain (loss) from other activities			
5	Net passive AMT adjustments			
6	Net other AMT adjust	ments		
7	General Credits			
8	Low-income housing	credit		
9	Other			

Sch		Partner's Share of In	come, (Loss) From an Ele	cting Large 2006
(For	m 1065-B)		Partnership	
	Corrected \Box			
	Publicly Traded Partn	ership 🗆		
	Line Description		Line Amount	Write-in / Literal / Attachments
	Partnership's name, ad	dress city state and	Black Coal Industries,	Attachinents
	Zip code	<i>aress, erej, state, ara</i>	LLC	
			100 Main St	
			Anytown, WV 25001	
	Partnership's employe	r identification number	69-000008	
	Partner's Identifying r	umber	000-70-0002	
	Partner's Name		Bronco Juno	
	Street address		300 Main St	
	City, state and zip cod		Anytown, WV 25001	
Α	Partner's share of liab	ilities – nonrecourse		
B	Partner's share of liab			
С	Partner's share of liab			
1	Taxable income (loss)	from passive activities	\$57,374	
2	Taxable income (loss)	from other activities	\$7,848	
3	Qualified dividends			
4 a	Net capital gain (loss) from passive activities			
4b	Net capital gain (loss) from other activities			
5	Net passive AMT adjustments			
6	Net other AMT adjustments			
7	General Credits			
8	Low-income housing	credit		
9	Other			

FORMS REQUIRED: 7004

HEADER INFO:

Tax Period:	11/01/2005 – 10/31/2006
Preparer Firm	Electronic Tax Filers, Inc. 11-0000011 100 Efile Drive Anytown, TX 78621
PIN Entered by	N/A
Return Type:	7004
Filer:	EIN: 11-0000030 Name: RamcFile, Inc. Name Control: RAMC Address: 100 Main Street Downtown, MD 20601
Officer:	Name: Roger Rabbit Title: Chief Executive Officer Taxpayer PIN: N/A Phone: 703-555-1212 Email Address: DateSigned: 01/25/06
Tax Year:	200610
Binary Attachment	Count: 0

Form 7004 A Test #1 (Code 25 = Form 1120S)		Application for Automatic 6-Month Extension of Time to File Certain Business Income Tax, Information, and Other Returns			TY 2005
	e: Ramc	•			
		tification number: 11-0000030			
		et, and room: 101 Main Street			
City c		State, Zip code: Downtown, M			
	Line D	escription	Line Amount / Information		Write-in / Literal
1	Code for	or type of return for 6-mos ext		25	
2	Org do checkbo	es not have office in US		_	
3	Qualify checkb	under Sec 1.6081-5 ox			
4a	Calendar yr or other year beginning and ending		November 1, 2005 October 31, 2006		
4b	Short TY < 12 months check reason				
5	Corp and com parent of consolidated grp				
6	Tentative total tax			1,000	
7	Total pa	ayments and credits		1,000	
8	Balanco line 6	e due. Subtract line 7 from		0	

FORMS REQUIRED: 7004

ATTACHMENTS: ConsolidatedGroupMembersSch

HEADER INFO:

 Tax Period:
 11/01/2006 – 10/31/2007

 Preparer Firm
 Electronic Tax Filers, Inc.
 11-0000011

 100 Efile Drive
 Anytown, TX 78621

PIN Entered by N/A

Return Type: 7004

Filer: EIN: 11-0000031 Name: ModeNTech, Inc Name Control: MODE Address: 301 New Street Newtown, ND 58204

 Tax Year:
 200710

Binary Attachment Count: 0

IRS PAYMENT:

RTN: 012345672 ACCT #: 1234000000 TYPE OF ACCOUNT: Checking AMOUNT OF PAYMENT: 4,400 REQUESTED PAYMENT DATE: January 15, 2008 TAXPAYER DAYTIME PHONE NUMBER: 512-555-1111

Details for Form 7004

Attachment 1, Form 7004, Line 5, (ConsolidatedGroupMembersSch):

- **a. Name:** Hottest Communications
 Address: 100 Mail Avenue, Uptown, OH 45324
 EIN: 11-0000043
- b. Name: High-Tech Solutions
 Address: 200 Main Street, Anytown, NC 27905
 EIN: APPLIED FOR

Form 7004 Test #2 (Code 12 = Form 1120)		Application for Automati Time to File Certain B Information, and	TY 2006	
		NTech, Inc		
		tification number: 11-0000031		
		t, and room: 301 New Street		
City c		State, Zip code: Newtown, ND		
	Line D	escription	Line Amount / Information	Write-in / Literal
1	Code for	or type of return for 6-mos ext	12	
2	Org doo	es not have office in US		
3	Qualify checkb	under Sec 1.6081-5 ox		
4a	Calendar yr or other year beginning and ending		November 1, 2006 October 31, 2007	
4b	Short TY < 12 months check reason			
5	Corp and com parent of consolidated grp		Checkbox checked	Attachment 1
6	Tentati	ve total tax	5,000	
7	Total payments and credits		600	
8	Balanco line 6	e due. Subtract line 7 from	4,400	

FORMS REQUIRED: 7004

HEADER INFO:

Tax Period: 08/01/2006–07/31/2007

Return Type: 7004

Filer: EIN: 11-0000033 Name: FOREIGNCO Group Name Control: FORE Address: 2 Rue Street Paris City, France

Tax Year: 200707

Binary Attachment Count: 0

IRS PAYMENT: None

1	1-	00)()	0	0	33	
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Form 7004 Test #3 (Code 15 = Form 1120-F)		Application for Automati Time to File Certain B Information, and	TY 2006	
		GNCO Group		
	,	tification number: 11-0000033		
		et, and room: 2 Rue Street		
City c		State, Zip code: Paris City, Fra		
	Line Description		Line Amount / Information	Write-in / Literal
1	Code for	or type of return for 6-mos ext	15	
2	Org does not have office in US checkbox			
3	Qualify under Sec 1.6081-5 checkbox		Checkbox checked	
4a	Calendar yr or other year beginning and ending		August 1, 2006 July 31, 2007	
4b	Short TY < 12 months check reason			
5	Corp and com parent of consolidated			
	grp			
6	Tentative total tax		10,000	
7	Total payments and credits		9,000	
8	Balance due. Subtract line 7 from line 6		1,000	

FORMS REQUIRED: 7004

HEADER INFO:

Tax Period: 08/01/2006-07/31/2007

Return Type: 7004

Filer: EIN: 11-0000049 Name: Flower Store One Name Control: FLOW Address: 3 Bulb Street Somewhere, TX 78621

Tax Year: 200707

Binary Attachment Count: 0

IRS PAYMENT: None

Form 7004 Test #4 (Code 09 = Form 1065)		Application for Automati Time to File Certain B Information, and	TY 2006	
-		r Store One		
		tification number: 11-0000049		
		et, and room: 3 Bulb Street		
City c		State, Zip code: Somewhere, T	X 78621	
	Line D	escription	Line Amount / Information	Write-in / Literal
1	Code for	or type of return for 6-mos ext	09	
2	Org do checkbo	es not have office in US		
3	Qualify under Sec 1.6081-5 checkbox			
4a	Calendar yr or other year beginning and ending		August 1, 2006 July 31, 2007	
4b	Short TY < 12 months check reason			
5	Corp and com parent of consolidated			
6	grp Tentative total tax		10,000	
7	Total payments and credits		9,000	
8		e due. Subtract line 7 from	1,000	

FORMS REQUIRED: 7004

HEADER INFO:

Tax Period: 08/01/2006– 07/31/2007

Return Type: 7004

Filer: EIN: 11-0000050 Name: RedesignComp, Inc Name Control: REDE Address: 55 Any Street Anytown, MI 49261

Tax Year: 200707

Binary Attachment Count: 0

IRS PAYMENT: None

Test #5 of Time to File Certain			atic 6-Month Extension Business Income Tax, d Other Returns	TY 2006
-		and room: 55 Any Street		
City c		te, Zip code: Anytown, MI	49261	
	Line Des	cription	Line Amount / Information	Write-in / Literal
1	Code for	type of return for 6-mos ext	34	
2	Org does not have office in US checkbox			
3	Qualify under Sec 1.6081-5 checkbox			
4a	Calendar yr or other year beginning and ending		August 1, 2006 July 31, 2007	
4b	Short TY < 12 months check reason			
5	Corp and com parent of consolidated grp			
6	Tentative total tax		10,000	
7	Total payments and credits		9,000	
8	Balance due. Subtract line 7 from line 6		1,000	