

2012

D-65

**District of Columbia (DC)
Partnership Return of Income
Tax Forms and Instructions**

Beginning with Tax Year 2010:

The District allowed Franchise (D-20), Unincorporated Franchise (D-30), Partnership (D-65), and Fiduciary (D-41) taxpayers to file returns with attachments using a CD. Include the following on a CD:

- **A signed and dated D-65 return;**
- **Any DC schedules you are submitting;**
- **Any federal forms that must accompany the D-65;**
- **Indicate on the CD label, “D-65, your FEIN and tax year being filed; and**
- **Images on the CD should be in PDF format**





Print in CAPITAL letters using black ink.

Federal Employer Identification Number										OFFICIAL USE ONLY Vendor ID # 0000									
Business name										Tax period ending (MMYY)									
Address line #1										Fill in <input type="radio"/> if amended return Fill in <input type="radio"/> if final return									
Address line #2																			
City					State					Zip Code + 4									

A. Date entity was organized	DATE (MMYY)
B. Fill in your accounting method <input type="radio"/> cash <input type="radio"/> accrual <input type="radio"/> other (specify)	
C. Number of partners in this partnership	
D. Is this a limited partnership?	<input type="radio"/> YES <input type="radio"/> NO
E. Is this a limited liability company?	<input type="radio"/> YES <input type="radio"/> NO
F. Are any partners in this partnership also partnerships or corporate entities?	<input type="radio"/> YES <input type="radio"/> NO
G. Is this partnership a partner in another partnership?	<input type="radio"/> YES <input type="radio"/> NO
H. Was there a distribution or transfer of property that caused an adjustment of the basis of the partnership's assets under IRC Section 754?	<input type="radio"/> YES <input type="radio"/> NO
I. Was a D-65 filed for the preceding year?	<input type="radio"/> YES <input type="radio"/> NO
J. Was a 2012 DC unincorporated business franchise tax return (Form D-30) filed for this business? If "YES," enter the name under which the return was filed.	<input type="radio"/> YES <input type="radio"/> NO
K. Have you filed annual federal income tax information return Forms 1099 and 1096?	<input type="radio"/> YES <input type="radio"/> NO
L. Did you withhold DC income tax from the wages of your DC employees during 2012?	<input type="radio"/> YES <input type="radio"/> NO
If "NO," state reason:	
M. During 2012, has the IRS made or proposed any adjustments to your federal partnership Form 1065, or did you file amended returns with the IRS?	<input type="radio"/> YES <input type="radio"/> NO

If "YES," submit a separate, detailed explanation and an amended D-65 return reflecting the adjustments to: Office of Tax and Revenue, 1101 4th Street, SW, FL4, Washington DC 20024.

- Attach a copy of the Form 1065 with the K-1 and any other schedules you filed.
- Attach a schedule showing the pass-through distribution of income to all members of the partnership.
- If you are filing Form D-65, instead of Form D-30, attach an explanation (See instruction A).

GENERAL INSTRUCTIONS FOR THE D-65 PARTNERSHIP RETURN

Who must file a DC Form D-65?

Except for partnerships required to file an unincorporated business franchise tax return, DC Form D-30, all partnerships engaged in any trade or business in DC or which received income from sources in DC, must file a Form D-65.

The term “partnership” includes a limited partner, group, syndicate, pool and joint venture through or by means of which any business, financial operation, or venture is carried on. The following are excluded by law: 1) a corporation; 2) a trust or estate; or 3) an unincorporated business. The term “partner” includes a member of a syndicate, pool or joint venture.

If the return is filed on behalf of a syndicate, pool, joint venture or similar group, attach to the D-65 a copy of the agreement and all amendments to the agreement.

A limited liability company is classified as a partnership. The only exception is if IRS has classified it differently. Use the same classification on your DC return as that used on your federal return.

DC law does not allow a partnership to report or file as a corporation, nor for a corporation to report or file as a partnership.

Who must file DC Form D-30 instead of Form D-65?

Every partnership which, during the taxable year, engaged in an “unincorporated business” as defined in paragraph (1) below, and which met the gross income threshold as stated in paragraph (2) below, must file a Form D-30, rather than Form D-65. If Form D-65 is filed instead of Form D-30, attach an explanation to the D-65.

(1)(a) A partnership with gross income of more than \$12,000 which leases real or personal property in DC, regardless of whether services are performed, (including professional partnerships) must file a Form D-30 instead of Form D-65.

(b) “Unincorporated Business”. An unincorporated business is any trade or business, conducted or engaged in by any individual, whether resident or nonresident, statutory or common-law trust, estate, partnership, or limited or special partnership, society, association, executor, administrator, receiver, trustee, liquidator, conservator, committee, assignee, or by any other entity or fiduciary, other than a trade or business conducted or engaged in by any corporation. This includes any trade or business which, if conducted or engaged in by a corporation, would be taxable.

(c) Excluded is any trade or business which by law, custom, or ethics, cannot be incorporated or any trade or business deriving more than 80% of its gross income from personal services rendered by owners or members of the partnership or other entity in conducting or carrying on any trade or business in which capital is not a material income-producing factor.

(2) Gross income requirement for filing DC Form D-30. A return must be filed by an unincorporated business if its gross income from engaging in or carrying on any trade or business in DC plus any other gross income received from DC sources amounts to more than \$12,000 during the year, regardless of whether it had net income. For filing purposes, the words “gross income” mean gross revenue before deduction of cost of goods, expenses and other deductions allowable in the determination of net income.

NOTE: For District tax purposes, taxpayers are not permitted to claim the additional federal 30 or 50 percent bonus depreciation nor the additional Internal Revenue Code (IRC) Section 179 expenses. Taxpayers should keep a separate depreciation schedule for DC tax purposes.

When is your return due?

You must file your return by:

- Calendar year filer – April 15; or
- Fiscal year filer – the fifteenth day of the fourth month following the ending of the taxable year you entered at the top of the DC Form D-65.

If the due date falls on a Saturday, Sunday or legal holiday, the return is due the next business day.

If you are requesting an extension of time to file, submit DC Form FR-128, Extension of Time to File DC Franchise or Partnership Return, by the due date of your return. Do not use the federal extension of time to file form to request a DC extension. Ensure you have filled in the D-65 bubble on the bottom left hand side of the Form FR-128.

How to file your return

File your DC Form D-65 with the Office of Tax and Revenue, 1101 4th Street, SW, FL4, Washington, DC 20024.

Print, sign and date the return. Make a copy for yourself. If submitting the return with attachments, you must submit using a CD.

Include the following on the CD:

- The signed D-65 return;
- Any attachments and/or schedules (federal Form 1065, and Schedule K-1). Include copies of all the schedules and statements accompanying the Form 1065. Also attach a schedule showing the pass-through distribution of income for all members of the partnership, and copies of the completed federal K-1 schedule.
- Write on the CD label, “D-65”, your FEIN, tax year year being filed, and statements accompanying the Form D-65 on the CD.

Assembling your D-65 return

Do not staple or otherwise damage the Bar Code located in the upper right hand corner of this form or schedule(s) being attached;

Substitute forms

You may file your DC tax return using a computer-prepared or computer-generated substitute form, provided the form is approved in advance by the Office of Tax and Revenue (OTR). The fact that a software package is available for retail purchase does not mean that the substitute form has been approved for use. Call or check with the software developer to determine if its form is approved by the DC OTR.

Special filing circumstances

Amended returns

You must use the Form D-65 of the year you are amending. Prior year forms can be obtained from www.taxpayerservicecenter.com. If the IRS adjusts your federal return or if you file an amended federal return, you must file an amended DC return within 90 days.

Mail the amended return and any attachments to the Office of Tax and Revenue, 1101 4th Street, SW, FL4, Washington, DC 20024.

Final return

If you are not required to continue filing a return for an entity, fill in the “final return” oval on the return. We will then cancel your filing requirement.

Items exempt from tax

All items of income received and claimed as exempt from tax must be explained in a copy of the Schedule K of the federal Form 1065. Attach the copy to your DC Form D-65. Some items of this type are:

- (1) Tax-Free Interest. Attach a statement reporting interest on:
- (a) obligations of a state, territory of the United States or any political subdivision thereof, or DC; and
 - (b) obligations of the United States, its agencies, or instrumentalities.

(2) Proceeds from life insurance policies. In general, the proceeds of life insurance policies paid to the partnership due to the death of a partner are exempt. However, if any part of the proceeds is held by the insurer under an agreement to pay interest, the interest is taxable.

Information at source

Every partnership which in the course of its trade or business, during calendar year 2012, pays (1) interest, rents, commissions, or other fixed or determinable income of \$600 or more, or (2) salaries and wages of \$600 or more, must submit copies of federal Forms 1095 and 1099 unless the payment is specifically exempted by District of Columbia Municipal Regulations (DCMR) 111.2.

Getting started

Do not cross out the tax year on the 2012 return. If you are not filing a 2012 D-65 Partnership Return, do not use this booklet. Request a booklet for the specific year you are filing by calling our Forms Center at (202) 442-6546, or visit the Customer Service Center at 1101 4th Street, SW, FL2, Washington, DC 20024. You may also visit our website at www.taxpayerservicecenter.com for prior year partnership returns.

Use the same method of accounting on your DC Form D-65 as that used on your federal tax return.

To complete the Form D-65, in general you will need:

- Copies of your completed 2012 federal forms as applicable (1065, Schedule K-1, etc.)
- A pen with black ink
- A calculator

Not all items will apply. If an amount is zero, make no entry, leave the line blank.

The return must be filed for calendar year 2012, or other taxable year beginning in 2012, covering the same tax period reported on the return filed with the IRS. Fill in the tax period ending on page 1 as MMY. Y.

All entries on the return and attachments are whole dollars only. Do not enter cents. Round cents to the nearest dollar.

Examples:

- \$10,500.50 rounds to \$10,501
- \$10,500.49 rounds to \$10,500

Taxpayer Identification Number (TIN)

You must have a TIN.

A Federal Employer Identification Number (FEIN) must be a number issued by the IRS. To apply for a FEIN, get Form SS-4, Application for Employer Identification Number, or get this form online at www.irs.gov/businesses. Click on Employer Identification Number (EIN) under Starting a Business. You may also get this form by calling 1-800-TAX-FORM (1-800-829-3676).

Filling out the form

To aid us in processing your return, please follow these rules:

Do not print outside the boxes.

Use black ink.

Print in CAPITAL letters.

ROBERTS

Leave a space between words and between words and numbers.

8 ELM

Write 3s with a rounded top, not a flat top.

3 7 ~~3 7~~

Write 7s without a middle bar.

7 ~~7~~

Fill in ovals completely.

Do not "✓" or "x" ovals.

Do not enter cents. Round cents to the nearest dollar.

57204.00

Note: Your social security number is used for tax purposes only.

Personal information

Complete the personal information as instructed using CAPITAL letters and black ink. Use one block per letter, including using a space between address fields. Please write clearly, otherwise this can delay processing your return.

Signature

The return must be signed by a partner or member. If receivers, trustees in bankruptcy, or assignees are in control of the property or business organization, they must sign the return.

When the return is prepared by someone (for compensation) other than a member or an employee of the partnership, they must sign as the preparer at the bottom of page 2 of the DC Form D-65.

Paid Preparer Tax Identification Number (PTIN)

IRS rules have changed. If you are a paid preparer, you are required to have an IRS PTIN issued by the IRS. A PTIN is a number issued and authorized by the IRS to file a return on the taxpayer's behalf.

Key website resources

DC Official Code

<http://www.dccouncil.washington.dc.us/>

DC Regulations

<http://www.dcregs.dc.gov/>

US Department of State Tax Exemption Cards

www.state.gov/ofm/tax/

DC Tax Forms/Publications

<http://otr.cfo.dc.gov/otr/cwp/view,a,1330,q,594065.asp>

Mailing Address for Returns

<http://otr.cfo.dc.gov/otr/cwp/view,a,1330,q,593904.asp>

Electronic Funds Transfer (EFT) Guide

http://otr.cfo.dc.gov/otr/frames.asp?doc=/otr/lib/otr/march_2012/2012_eft_guide_032112.pdf

NACHA Guidelines

<http://www.nacha.org/>

Social Security Administration

<http://ssa.gov/>

Internal Revenue Service

<http://www.federal-tax-identification.com/>

Need assistance?

File or pay online: www.taxpayerservicecenter.com

Get tax forms

Download forms at www.taxpayerservicecenter.com

Request forms by mail: 202-442-6546

Pick up forms:

Office of Tax and Revenue

1101 4th St SW 2nd Floor
8:15 am–5:30 pm

Reeves Center

2000 14th St NW Lobby
7 am–7 pm

Municipal Center

300 Indiana Av NW Lobby
6:30 am–8 pm

Wilson Building

1350 Pennsylvania Av NW Lobby
7 am–7 pm

One Judiciary Square

441 4th St NW Lobby
7 am–7 pm

Ask tax questions; get tax forms preparation help free

Visit our Walk-In Center, 1101 4th St SW 2nd Floor; or

Contact our Customer Service Center: 202-727-4TAX(4829)

Regular hours

8:15 am–5:30 pm

Monday–Friday

Do you need help with this form?

Visit our Walk-In Center, at 1101 4th St SW 2nd Floor.

[Chinese/中文] 您需要協助閱讀或了解英文嗎? 請致電 202-727-4829 或請到 941 1101 4th St SW 2nd Floor, 要求免費語言熱線(Language Line)口譯員協助您。

[Korean/한국어] 영어를 읽거나 이해하기 위해 다른 사람의 도움이 필요하십니까? 202-727-4829 번으로 전화하시거나 1101 4th St SW 2nd Floor 를 방문하십시오. 귀하를 도와드릴 무료 랭귀지 라인(Language Line) 통역사를 요청하십시오.

Are you unable to hear or speak?

Call the DC Relay Service, 202-855-1234.

[Spanish/Español] ¿Necesita ayuda para leer o entender inglés? Llame al 202-727-4829 o venga a 1101 4th St SW 2nd Floor. Pida que le asignen un intérprete de la Línea de los Idiomas (Language Line) para que le ayude, sin costo alguno.

[Vietnamese/Tiếng Việt] Quý vị có cần giúp đỡ để đọc và hiểu Anh ngữ không? Xin gọi 202-727-4829 hoặc đến 1101 4th St SW 2nd Floor. Yêu cầu có được thông dịch viên Đường Dây Ngôn Ngữ (Language Line) để giúp đỡ miễn phí cho quý vị.