



# 2020 Schedule KPINC, Federal Adjustments

Minnesota has not adopted the federal law changes enacted after December 31, 2018 that affect federal taxable income for tax year 2020. This schedule allows for any necessary adjustments required to file a state tax return.

**Read the instructions before completing this schedule.**

Tax year beginning \_\_\_\_\_, 2020, ending \_\_\_\_\_

Partner's Name \_\_\_\_\_

Partner's Social Security Number or Federal ID Number \_\_\_\_\_

Partnership's Name \_\_\_\_\_

Partnership's Federal ID Number \_\_\_\_\_

Partnership's Minnesota ID Number \_\_\_\_\_

**Enter as a positive or negative. Round amounts to the nearest whole dollar. Form M1 filers, include on:**

**Adjustments to federal taxable income (FTI)**

- 1 Paycheck Protection Program (CARES Act Sec. 1102, 1106) . . . . . **1** ■ \_\_\_\_\_ M1NC, Line 9
- 2 Exclusion for employer payments of student loans (CARES Act Sec. 2206) . . . . . **2** ■ \_\_\_\_\_ M1NC, Line 10
- 3 Refundable credit equal to 50% COVID wages (CARES Act Sec. 2301) . . . . . **3** ■ \_\_\_\_\_ M1NC, Line 11
- 4 IRC Section 461 net nonbusiness income/loss . . . . . **4** ■ \_\_\_\_\_ See line 4 inst.
- 5 Modification of business interest limitation (CARES Act Sec. 2306) . . . . . **5** ■ \_\_\_\_\_ M1NC, Line 16
- 6 Qualified Improvement Property Technical Fix (CARES Act Sec. 2307) . . . . . **6** ■ \_\_\_\_\_ M1NC, Line 17
- 7 Employer credit for paid medical leave and Employer payroll credit for required paid family leave (FFCRA Sec. 7001, 7003) . . . . . **7** ■ \_\_\_\_\_ M1NC, Line 18
- 8 TCDTR basis and depreciation provisions (TCDTR Sec. 114, 115, 116, 117, 118, 130, 131, 132) . . . . . **8** ■ \_\_\_\_\_ M1NC, Line 19
- 9 TCDTR credit provisions impacting basis and depreciation (TCDTR Sec. 112, 122, 124, 125, 126, 129) . . . . . **9** ■ \_\_\_\_\_ M1NC, Line 20
- 10 TCDTR credit provisions impacting business expenses (TCDTR Sec. 111, 113) . . . . . **10** ■ \_\_\_\_\_ M1NC, Line 21
- 11 Look-through rule for related controlled foreign corporations (TCDTR Sec. 145) . . . . . **11** ■ \_\_\_\_\_ M1NC, Line 15
- 12 Employee retention credit for employers affected by qualified disasters (TCDTR Sec. 203) . . . . . **12** ■ \_\_\_\_\_ M1NC, Line 12
- 13 Other adjustments to federal taxable income . . . . . **13** ■ \_\_\_\_\_ M1NC, Line 22
- 14 This line intentionally left blank. . . . . **14** ■ \_\_\_\_\_
- 15 This line intentionally left blank. . . . . **15** ■ \_\_\_\_\_
- 16 This line intentionally left blank. . . . . **16** ■ \_\_\_\_\_
- 17 This line intentionally left blank. . . . . **17** ■ \_\_\_\_\_
- 18 This line intentionally left blank. . . . . **18** ■ \_\_\_\_\_
- 19 This line intentionally left blank. . . . . **19** ■ \_\_\_\_\_





Partner's Name \_\_\_\_\_

Partner's Social Security Number or Federal ID Number \_\_\_\_\_

Partnership's Name \_\_\_\_\_

Partnership's Federal ID Number \_\_\_\_\_

Partnership's Minnesota ID Number \_\_\_\_\_

**20** This line intentionally left blank. . . . . **20** ■ \_\_\_\_\_

**21** This line intentionally left blank. . . . . **21** ■ \_\_\_\_\_

**22** This line intentionally left blank. . . . . **22** ■ \_\_\_\_\_

**23** This line intentionally left blank. . . . . **23** ■ \_\_\_\_\_

**24** Total lines 1-23. If the result is positive, enter it on Schedule KPI, line 9.  
If the amount is negative, enter it as a positive number on Schedule KPI, line 16. . . . . **24** ■ \_\_\_\_\_

**You must include this schedule when you file Schedule KPI.**



FINAL DRAFT 10/1/20

# 2020 Schedule KPINC Instructions

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Individual, estate, and trust partner's use of information provided on Schedule KPINC

## Purpose of Schedule KPINC

Schedule KPINC is a supplemental schedule provided by the partnership to its individual, estate, or trust partners. The partners need this information to complete one of the following:

- *Minnesota Schedule M1NC* if you are an individual partner.
- *Minnesota Schedule M2NC* if you are a trust or estate partner.

These instructions are intended to help you report your share of the partnership's nonconformity adjustments on your Minnesota return.

**You must include Schedule KPINC when you file your Minnesota return.** If you do not include the schedule with your return as required, your return processing will be delayed.

**If you receive an amended Schedule KPINC** from the fiduciary and your nonconformity adjustments have changed, you must file an amended Minnesota return.

To amend your return, use one of the following:

- *Form MIX, Amended Minnesota Income Tax Return*, if you are an individual partner.
- *Form M2X, Amended Income Tax Return for Estate and Trust*, if you are a trust or estate partner.

## Line Instructions

### Line 1 – Paycheck Protection Program (CARES Act Sec. 1106)

*Individuals:* Include this amount on Schedule M1NC, line 9.

*Trusts and Estates:* Include this amount on Schedule M2NC, line 1.

### Line 2 – Exclusion for Employer Payments of Student Loans (CARES Act Sec. 2206)

*Individuals:* Include this amount on Schedule M1NC, line 10.

*Trusts and Estates:* Include this amount on Schedule M2NC, line 2.

### Line 3 – Refundable Credit Equal to 50% COVID Wages (CARES Act Sec. 2301)

*Individuals:* Include this amount on Schedule M1NC, line 11.

*Trusts and Estates:* Include this amount on Schedule M2NC, line 3.

### Line 4 – IRC Section 461 Net Nonbusiness Income/Loss

*Individuals:* Use this amount when calculating Schedule M1NC, line 14.

*Trusts and Estates:* Use this amount when calculating Schedule M2NC, line 5.

### Line 5 – Modification of Business Interest Limitation (CARES Act Sec. 2306)

*Individuals:* Include this amount on Schedule M1NC, line 16.

*Trusts and Estates:* Include this amount on Schedule M2NC, line 6.

### Line 6 – Qualified Improvement Property Technical Fix (CARES Act Sec. 2307)

*Individuals:* Include this amount on Schedule M1NC, line 17.

*Trusts and Estates:* Include this amount on Schedule M2NC, line 7.

### Line 7 – Employer Credit for Paid Medical Leave and Employer Payroll Credit for Required Paid Family Leave (FFCRA Sec. 7001, 7003)

*Individuals:* Include this amount on Schedule M1NC, line 18.

*Trusts and Estates:* Include this amount on Schedule M2NC, line 8.

### Line 8 – TCDTR Basis and Depreciation Provisions (TCDTR Sec. 114, 115, 116, 117, 118, 130, 131, 132)

*Individuals:* Include this amount on Schedule M1NC, line 19.

*Trusts and Estates:* Include this amount on Schedule M2NC, line 9.

### Line 9 – TCDTR Credit Provisions Impacting Basis and Depreciation (TCDTR Sec. 112, 122, 124, 125, 126, 129)

*Individuals:* Include this amount on Schedule M1NC, line 20.

*Trusts and Estates:* Include this amount on Schedule M2NC, line 10.

### Line 10 – TCDTR Credit Provisions Impacting Business Expenses (TCDTR Sec. 111, 113)

*Individuals:* Include this amount on Schedule M1NC, line 21.

*Trusts and Estates:* Include this amount on Schedule M2NC, line 11.

### Line 11 – Look-Through Rule for Related Controlled Foreign Corporations (TCDTR Sec. 145)

*Individuals:* Include this amount on Schedule M1NC, line 15.

*Trusts and Estates:* Include this amount on Schedule M2NC, line 12.

**Line 12 – Employee Retention Credit for Employers Affected by Qualified Disasters (TCDTR Sec. 203)**

*Individuals:* Include this amount on Schedule M1NC, line 12.

*Trusts and Estates:* Include this amount on Schedule M2NC, line 13.

**Line 13 – Other Adjustments to Federal Taxable Income**

*Individuals:* Include this amount on Schedule M1NC, line 22.

*Trusts and Estates:* Include this amount on Schedule M2NC, line 14.

**Lines 14 Through 23**

These lines are intentionally left blank.

**Line 24 – Total**

If the total on this line is a positive number, enter it on Schedule KPI, line 9. If the total on this line is a negative, enter it as a positive number on Schedule KPI, line 16.