



2021 Schedule KPINC, Federal Adjustments

Minnesota has not adopted certain federal law changes enacted after December 31, 2018 that affect federal taxable income for tax year 2021. This schedule allows for any necessary adjustments required to file a state tax return.

Read the instructions before completing this schedule.

Tax year beginning _____, 2021, 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 Exclusion for certain employer payments of student loans (CARES Act Sec. 2206) **1** ■ _____ M1NC, Line 10
- 2 Employee Retention Credit (CARES Act Sec. 2301) **2** ■ _____ M1NC, Line 11
- 3 IRC Section 461 nonbusiness income **3** ■ _____ M1LOSS
- 4 IRC Section 461 nonbusiness loss **4** ■ _____ M1LOSS
- 5 Modification for 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 and TCDTR20 basis and depreciation provisions (*see inst. for TCDTR and TCDTR20 Secs.*) . **8** ■ _____ M1NC, Line 19
- 9 TCDTR and TCDTR20 credit provisions impacting basis and depreciation (*see inst. for TCDTR and TCDTR20 Secs.*) **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 TCDTR20 basis and depreciation provisions (TCDTR20 Sec. 201, 202, 203, and 204) **13** ■ _____ M1NC, Line 23
- 14 Restaurant revitalization grants (ARPA Sec. 9673) **14** ■ _____ M1NC, Line 24
- 15 Temporary allowance of full deduction for business meals (COVIDTRA Sec. 210) **15** ■ _____ M1NC, Line 25
- 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 ■ _____

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25 This line intentionally left blank. 25 ■ _____

26 This line intentionally left blank. 26 ■ _____

27 This line intentionally left blank. 27 ■ _____

28 This line intentionally left blank. 28 ■ _____

29 This line intentionally left blank. 29 ■ _____

30 This line intentionally left blank. 30 ■ _____

31 Other adjustments to federal taxable income 31 ■ _____ M1NC, Line 22

32 Total lines 1-31. If the result is positive, enter it on Schedule KPI, line 8.
If the amount is negative, enter it as a positive number on Schedule KPI, line 18. 32 ■ _____

You must include this schedule when you file Schedule KPI.



FINAL DRAFT 10/13/21

2021 Schedule KPINC Instructions

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 – Exclusion for Certain Employer Payments of Student Loans (CARES Act Sec. 2206; TCDTR20 Sec. 120; ARPA Sec. 9675)

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

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

Line 2 – Employee Retention Credit (CARES Act Sec. 2301; TCDTR20 Sec 206 and 207; ARPA Sec. 9651)

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

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

Line 3 – IRC Section 461 Nonbusiness Income

Individuals: Include this amount on Schedule M1LOSS, line 11.

Trusts and Estates: Use this amount when calculating Schedule M2NC, line 4.

Line 4 - IRC Section 461 Net Nonbusiness Loss

Individuals: Include this amount as a positive number on Schedule M1LOSS, line 14.

Trusts and Estates: Use this amount when calculating Schedule M2NC, line 4.

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 5.

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 6.

Line 7 – Employer Credit for Paid Medical Leave and Employer Payroll Credit for Required Paid Family Leave (FFCRA Sec. 7001, 7003; ARPA Sec. 9641)

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

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

Line 8 – TCDTR and TCDTR20 Basis and Depreciation Provisions (TCDTR Sec. 114, 115, 118; TCDTR20 Sec. 102, 115, 116, 138)

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

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

Line 9 – TCDTR and TCDTR20 Credit Provisions Impacting Basis and Depreciation (TCDTR Sec. 112, 122, 124, 125, 126, 129; TCDTR20 Sec. 106, 140, 142, 143, 144, 146)

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

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

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 10.

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 11.

Line 12 – Employee Retention Credit for Employers Affected by Qualified Disasters (TCDTR Sec. 203; TCDTR20 Sec. 303)

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

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

Line 13 -TCDTR20 Basis and Depreciation Provisions (TCDTR20 Sec. 201, 202, 203, and 204)

Individuals: Include this amount on Schedule M1NC, line 23.

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

Line 14 - Restaurant Revitalization Grants (ARPA Sec. 9673)

Individuals: Include this amount on Schedule M1NC, line 24.

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

Line 15 - Temporary Allowance of Full Deduction for Business Meals (TCDTR20 Sec. 210)

Individuals: Include this amount on Schedule M1NC, line 25.

Trusts and Estates: Include this amount on Schedule M2NC, line 15.

Lines 16 Through 30

These lines are intentionally left blank.

Line 31 – 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 31.

Line 32 – Total

If the total on this line is a positive number, enter it on Schedule KPI, line 8. If the total on this line is a negative, enter it as a positive number on Schedule KPI, line 18.