



2018 Schedule KPINC, Federal Adjustments

Minnesota has generally adopted the Internal Revenue Code as amended through December 15, 2022. This schedule allows for any remaining necessary adjustments required to file a state tax return.

Tax year beginning _____, 2018, and ending _____

Partner's Name	Partner's Social Security or Federal ID Number	
Partnership's Name	Partnership's Federal ID Number	Partnership's Minnesota Tax ID

Before you complete this schedule, read the instructions which are on a separate sheet.

Enter amounts as a positive or negative. Round amounts to the nearest whole dollar.

For M1 filers, include on:

Adjustments to federal taxable income (FTI)

- 1 This line intentionally left blank **1** ■ _____
- 2 a. This line intentionally left blank **2a** ■ _____
- b. This line intentionally left blank **2b** ■ _____
- c. This line intentionally left blank **2c** ■ _____
- 3 a. This line intentionally left blank **3a** ■ _____
- b. This line intentionally left blank **3b** ■ _____
- c. This line intentionally left blank **3c** ■ _____
- 4 a. This line intentionally left blank
 **4a** ■ _____
- b. This line intentionally left blank **4b** ■ _____
- 5 a. This line intentionally left blank **5a** ■ _____
- b. This line intentionally left blank **5b** ■ _____
- 6 This line intentionally left blank **6** ■ _____
- 7 This line intentionally left blank **7** ■ _____
- 8 a. This line intentionally left blank **8a** ■ _____
- b. This line intentionally left blank **8b** ■ _____
- 9 Limitation on Deduction by Employers of Expenses for Fringe Benefits (TCJA Sec. 13304) **9** ■ _____ M1NC, line 16
- 10 Other Deduction Provisions (TCJA Sec. 13307, 13308, 13310, 13603) **10** ■ _____ M1NC, line 16
- 11 This line intentionally left blank **11** ■ _____
- 12 Cash Distributions from Converted C Corporations (TCJA Sec. 13543(b)) **12** ■ _____ M1NC, line 29
- 13 Tax Treatment of Alaska Native Corporations (TCJA Sec. 13821) **13** ■ _____ M1NC, line 20



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Partner's Name

Partner's Social Security or Federal ID Number

- 14 Special Rules for Capital Gains Invested In Opportunity Zones (*TCJA Sec. 13823*) 14 ■ _____ M1NC, line 21
- 15 a. Section 965 Deferred Foreign Income 15a ■ _____ M1NC, line 23a
b. Income excluded as previously taxed under section 965 or 951A. 15b ■ _____ M1NC, line 23b
- 16 Inclusion of Global Intangible Low Taxed Income 16 ■ _____ M1NC, line 24
- 17 Deduction for Foreign Derived Intangible Income 17 ■ _____ M1NC, line 25
- 18 Related Party Amounts Paid in Hybrid Transactions (*TCJA Sec. 14222*) 18 ■ _____ M1NC, line 27
- 19 This line intentionally left blank 19 ■ _____
- 20 Source of Income from Sales of Inventory (*TCJA Sec. 14303*) 20 ■ _____ M1NC, line 29
- 21 This line intentionally left blank
. 21 ■ _____
- 22 Other Provisions (*TCJA Sec. 13309, 13314, 13504, 13522, 13531, 13532, 14502*) 22 ■ _____ M1NC, line 29
- 23 Extension of Credits and Tax Incentives (*TCJA Sec. 13401, 13403*)
— 23 ■ _____ M1NC, line 30
- 24 Other adjustments to federal taxable income 24 ■ _____ M1NC, line 29
- 25 IRC Section 461 Net Nonbusiness Income/Loss. 25 ■ _____ See inst.
- 26 Adjustments for the TCDTR 26 ■ _____ M1NC, line 26
- 27 Total lines 1-26. 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 10. 27 ■ _____

You must include this schedule when you file Schedule KPI.



2018 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 non-conformity 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 partnership and your non-conformity adjustments have changed, you must file an amended Minnesota return.

To amend your return, use:

- Form M1X, *Amended Minnesota Income Tax Return*, if you are an individual partner; or
- Form M2X, *Amended Income Tax Return for Estate and Trust*, if you are a trust or estate partner.

Line Instructions

Line 9 – Deduction by Employers of Expenses for Fringe Benefits (TCJA Sec. 13304)

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

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

Line 10 – Other Deduction Provisions (TCJA Sec. 13307, 13308, 13310, 13603)

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

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

Line 12 – Cash Distributions from Converted C Corporations (TCJA Sec. 13543(b))

Individuals: Include this amount on Schedule M1NC, line 29.

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

Line 13 – Tax Treatment of Alaska Native Corporations (TCJA Sec. 13821)

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

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

Line 14 – Capital Gains Invested in Opportunity Zones (TCJA Sec. 13823)

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

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

Line 15a – Section 965 Deferred Foreign Income

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

Trusts and Estates: Include this amount on Schedule M2NC, line 16a.

Line 15b – Income Excluded as Previously Taxed Under Section 965 or 951A

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

Trusts and Estates: Include this amount on Schedule M2NC, line 16b.

Line 16 – Inclusion of Global Intangible Low Taxed Income

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

Trusts and Estates: Include this amount on Schedule M2NC, line 17.

Line 17 – Deduction for Foreign Derived Intangible Income

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

Trusts and Estates: Include this amount on Schedule M2NC, line 18.

Line 18 – Related Party Amounts Paid in Hybrid Transactions (TCJA Sec. 14222)

Individuals: Include this amount on Schedule M1NC, line 27.

Trusts and Estates: Include this amount on Schedule M2NC, line 19.

Line 20 – Source of Income from Sales of Inventory (TCJA Sec. 14303)

Individuals: Include this amount on Schedule M1NC, line 29.

Trusts and Estates: Include this amount on Schedule M2NC, line 21.

Line 22 – Other Provisions (TCJA Sec. 13309, 13314, 13504, 13522, 13531, 13532, 14502)

Individuals: Include this amount on Schedule M1NC, line 29.

Trusts and Estates: Include this amount on Schedule M2NC, line 23.

Line 23 – Extension of Credits and Tax Incentives (TCJA Sec. 13401, 13403)

Individuals: Include this amount on Schedule M1NC, line 30.

Trusts and Estates: Include this amount on Schedule M2NC, line 24.

Line 24 – Other Adjustments to Federal Taxable Income

Individuals: Include this amount on Schedule M1NC, line 29.

Trusts and Estates: Include this amount on Schedule M2NC, line 25.

Line 25 – IRC Section 461 Net Nonbusiness Income/Loss

Individuals: Include on step 10 of the worksheet for excess business losses within the Schedule M1NC instructions for line 15a. Enclose a copy of this schedule with Form M1NC.

Trusts and Estates: Use this amount when calculating line 26 of Form M2NC. For any portion distributed to beneficiaries, report the beneficiary's pro rata share of this amount on line 25 of Schedule KFNC.

Line 26 – Adjustments for the TCDTR

Individuals: Include this amount on Schedule M1NC, line 26.

Trusts and Estates: Include this amount on Schedule M2NC, line 27.

Line 27 – Total

If the total on this line is a positive, 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 10.