



2024 Schedule KPCNC, Federal Adjustments

Minnesota has not adopted the federal law changes enacted after May 1, 2023 that affect federal taxable income for tax year 2024.

Tax year beginning _____, 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 amounts as a positive
or negative. Round amounts
to nearest whole dollar.

Adjustments to federal taxable income (FTI)

- | | | | | |
|----|---|---|-----|-------|
| 1 | a | Full Expensing for Bonus Depreciation Property (H.R. 1 Sec. 70301) | 1a | _____ |
| | b | Enter the amount of allowable depreciation for assets on line 1a | 1b | _____ |
| 2 | a | Full Expensing for Domestic Research and Experimental Expenditures (H.R. 1 Sec. 70302) | 2a | _____ |
| | b | Enter the amount of allowable depreciation for assets on line 2a | 2b | _____ |
| | c | Enter the amount of allowable depreciation for prior year assets adjusted for Sec. 70302 | 2c | _____ |
| 3 | a | Special Depreciation Allowance for Qualified Production Property (H.R. 1 Sec. 70307) | 3a | _____ |
| | b | Enter the amount of allowable depreciation for assets on line 3a | 3b | _____ |
| 4 | | Exempt Facility Bond Rules for Spaceports (H.R. 1 Sec. 70309) | 4 | _____ |
| 5 | | Subpart F Provision (H.R. 1 Sec. 70354) | 5 | _____ |
| 6 | | Exception to Percentage of Completion Method of Accounting (H.R. 1 Sec. 70430) | 6 | _____ |
| 7 | | Expansion of Qualified Small Business Stock Gain Exclusion (H.R. 1 Sec. 70431) | 7 | _____ |
| 8 | a | Treatment of Certain Sound Recording Productions (H.R. 1 Sec. 70434) | 8a | _____ |
| | b | Enter the amount of allowable depreciation for assets on line 8a | 8b | _____ |
| 9 | | Exclusion of Interest on Loans Secured by Rural or Agricultural Real Property (H.R. 1 Sec. 70435) | 9 | _____ |
| 10 | a | Termination of Cost Recovery for Energy Property (H.R. 1 Sec. 70509) | 10a | _____ |
| | b | Reverse federally claimed depreciation for assets on line 10a | 10b | _____ |
| 11 | | Employee Retention Credit Enforcement Provisions (H.R. 1 Sec. 70605) | 11 | _____ |
| 12 | | This line intentionally left blank | 12 | _____ |
| 13 | | This line intentionally left blank | 13 | _____ |
| 14 | | This line intentionally left blank | 14 | _____ |

continued next page



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

- 15 This line intentionally left blank.15
- 16 Other adjustments to federal taxable income16
- 17 Total lines 1-16.17

You must include this schedule when you file Schedule KPC.



NEAR FINAL DRAFT 10/29/25

2024 Schedule KPCNC Instructions

Corporate or partnership partner's use of information provided on Schedule KPCNC

Purpose of Schedule KPCNC

Schedule KPCNC is a supplemental schedule provided by the partnership to its corporate or partnership partners. The partners need this information to complete one of the following:

- Minnesota Schedule M4NC if you are a C corporation partner.
- Minnesota Schedule KSNC if you are an S corporation partner flowing income to shareholders.
- Minnesota Schedule KPINC or Schedule KPCNC if you are a partnership partner flowing income to partners.

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

You must include Schedule KPCNC 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 KPCNC from the partnership and your nonconformity adjustments have changed, you must file an amended Minnesota return.

To amend your return, use one of the following:

- Form M4X, Amended Franchise Tax Return, if you are a corporate partner.
- Form M8X, Amended S Corporation Return, if you are an S corporation partner.
- Form M3X, Amended Partnership Return, if you are a partnership partner.

Line Instructions

Line 1a – Full Expensing for Bonus Depreciation Property (H.R. 1 Sec. 70301)

C Corporation: Include this amount on Schedule M4NC, line 1a.

S Corporation: Pass this information through, pro rata, to shareholders on Schedule KSNC, line 1a.

Partnership: Pass this information through, pro rata, to the partners on Schedule KPINC, line 1a or Schedule KPCNC, line 1a.

Line 1b – Enter the amount of allowable depreciation for assets on line 1a

C Corporation: Include this amount on Schedule M4NC, line 1b.

S Corporation: Pass this information through, pro rata, to shareholders on Schedule KSNC, line 1b.

Partnership: Pass this information through, pro rata, to the partners on Schedule KPINC, line 1b or Schedule KPCNC, line 1b.

Line 2a – Full Expensing for Domestic Research and Experimental Expenditures (H.R. 1 Sec. 70302)

C Corporation: Include this amount on Schedule M4NC, line 2a.

S Corporation: Pass this information through, pro rata, to shareholders on Schedule KSNC, line 2a.

Partnership: Pass this information through, pro rata, to the partners on Schedule KPINC, line 2a or Schedule KPCNC, line 2a.

Line 2b – Enter the amount of allowable depreciation for assets on line 2a

C Corporation: Include this amount on Schedule M4NC, line 2b.

S Corporation: Pass this information through, pro rata, to shareholders on Schedule KSNC, line 2b.

Partnership: Pass this information through, pro rata, to the partners on Schedule KPINC, line 2b or Schedule KPCNC, line 2b.

Line 2c – Enter the amount of allowable depreciation for prior year assets adjusted for Sec. 70302

C Corporation: Include this amount on Schedule M4NC, line 2c.

S Corporation: Pass this information through, pro rata, to shareholders on Schedule KSNC, line 2c.

Partnership: Pass this information through, pro rata, to the partners on Schedule KPINC, line 2c or Schedule KPCNC, line 2c.

Line 3a – Special Depreciation Allowance for Qualified Production Property (H.R. 1 Sec. 70307)

C Corporation: Include this amount on Schedule M4NC, line 3a.

S Corporation: Pass this information through, pro rata, to shareholders on Schedule KSNC, line 3a.

Partnership: Pass this information through, pro rata, to the partners on Schedule KPINC, line 3a or Schedule KPCNC, line 3a.

Line 3b – Enter the amount of allowable depreciation for assets on line 3a

C Corporation: Include this amount on Schedule M4NC, line 3b.

S Corporation: Pass this information through, pro rata, to shareholders on Schedule KSNC, line 3b.

Partnership: Pass this information through, pro rata, to the partners on Schedule KPINC, line 3b or Schedule KPCNC, line 3b.

Line 4 – Exempt Facility Bond Rules for Spaceports (H.R. 1 Sec. 70309)

C Corporation: Include this amount on Schedule M4NC, line 4.

S Corporation: Pass this information through, pro rata, to shareholders on Schedule KSNC, line 4.

Partnership: Pass this information through, pro rata, to the partners on Schedule KPINC, line 4 or Schedule KPCNC, line 4.

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2024 Schedule KPCNC Instructions

Line 5 – Subpart F Provision (H.R. 1 Sec. 70354)

C Corporation: Include this amount on Schedule M4NC, line 5.

S Corporation: Pass this information through, pro rata, to shareholders on Schedule KSNC, line 5.

Partnership: Pass this information through, pro rata, to the partners on Schedule KPINC, line 5 or Schedule KPCNC, line 5.

Line 6 – Exception to Percentage of Completion Method of Accounting (H.R. 1 Sec. 70430)

C Corporation: Include this amount on Schedule M4NC, line 6.

S Corporation: Pass this information through, pro rata, to shareholders on Schedule KSNC, line 6.

Partnership: Pass this information through, pro rata, to the partners on Schedule KPINC, line 6 or Schedule KPCNC, line 6.

Line 7 – Expansion of Qualified Small Business Stock Gain Exclusion (H.R. 1 Sec. 70431)

C Corporation: Include this amount on Schedule M4NC, line 7.

S Corporation: Pass this information through, pro rata, to shareholders on Schedule KSNC, line 7.

Partnership: Pass this information through, pro rata, to the partners on Schedule KPINC, line 7 or Schedule KPCNC, line 7.

Line 8a – Treatment of Certain Sound Recording Productions (H.R. 1 Sec. 70434)

C Corporation: Include this amount on Schedule M4NC, line 8a.

S Corporation: Pass this information through, pro rata, to shareholders on Schedule KSNC, line 81.

Partnership: Pass this information through, pro rata, to the partners on Schedule KPINC, line 8a or Schedule KPCNC, line 8a.

Line 8b – Enter the amount of allowable depreciation for assets on line 8a

C Corporation: Include this amount on Schedule M4NC, line 8b.

S Corporation: Pass this information through, pro rata, to shareholders on Schedule KSNC, line 8a.

Partnership: Pass this information through, pro rata, to the partners on Schedule KPINC, line 8b or Schedule KPCNC, line 8b.

Line 9 – Exclusion of Interest on Loans Secured by Rural or Agricultural Real Property (H.R. 1 Sec. 70435)

C Corporation: Include this amount on Schedule M4NC, line 9.

S Corporation: Pass this information through, pro rata, to shareholders on Schedule KSNC, line 9.

Partnership: Pass this information through, pro rata, to the partners on Schedule KPINC, line 9 or Schedule KPCNC, line 9.

Line 10a – Termination of Cost Recovery for Energy Property (H.R. 1 Sec. 70509)

C Corporation: Include this amount on Schedule M4NC, line 10a.

S Corporation: Pass this information through, pro rata, to shareholders on Schedule KSNC, line 10a.

Partnership: Pass this information through, pro rata, to the partners on Schedule KPINC, line 10a or Schedule KPCNC, line 10a.

Line 10b – Reverse federally claimed depreciation for assets on line 10a

C Corporation: Include this amount on Schedule M4NC, line 10b.

S Corporation: Pass this information through, pro rata, to shareholders on Schedule KSNC, line 10b.

Partnership: Pass this information through, pro rata, to the partners on Schedule KPINC, line 10b or Schedule KPCNC, line 10b.

Line 11 – Employee Retention Credit Enforcement Provisions (H.R. 1 Sec. 70605)

C Corporation: Include this amount on Schedule M4NC, line 11.

S Corporation: Pass this information through, pro rata, to shareholders on Schedule KSNC, line 11.

Partnership: Pass this information through, pro rata, to the partners on Schedule KPINC, line 11 or Schedule KPCNC, line 11.

Lines 12 through 15 – These lines are intentionally left blank.

Line 16 – Other Adjustments to Federal Taxable Income

C Corporation: Include this amount on Schedule M4NC, line 16.

S Corporation: Pass this information through, pro rata, to shareholders on Schedule KSNC, line 16.

Partnership: Pass this information through, pro rata, to the partners on Schedule KPINC, line 16 or Schedule KPCNC, line 16.

Line 17 – Total

Enter the total of lines 1 through 16.