



## 2025 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 2025.

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  | Expansion of FICA Tip Credit (H.R. 1 Sec. 70201) .....   | 1 ■  | _____ |
| 2  | a Full Expensing for Bonus Depreciation Property (H.R. 1 Sec. 70301) .....                       | 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. 70301 ..... | 2c ■ | _____ |
| 3  | a Full Expensing for Domestic Research and Experimental Expenditures (H.R. 1 Sec. 70302) .....   | 3a ■ | _____ |
|    | b Enter the amount of allowable depreciation for assets on line 3a .....                         | 3b ■ | _____ |
|    | c Enter the amount of allowable depreciation for prior year assets adjusted for Sec. 70302 ..... | 3c ■ | _____ |
| 4  | Modification of Limitation on Business Interest (H.R. 1 Sec. 70303) .....                        | 4 ■  | _____ |
| 5  | Limitation on Deduction for Business Meals (H.R. 1 Sec. 70305) .....                             | 5 ■  | _____ |
| 6  | a Limitation for Expensing of Certain Depreciation Property (H.R. 1 Sec. 70306) .....            | 6a ■ | _____ |
|    | b Enter the amount of allowable depreciation for assets on line 6a .....                         | 6b ■ | _____ |
|    | c Enter the amount of allowable depreciation for prior year assets adjusted for Sec. 70306 ..... | 6c ■ | _____ |
| 7  | a Special Depreciation Allowance for Qualified Production Property (H.R. 1 Sec. 70307) .....     | 7a ■ | _____ |
|    | b Enter the amount of allowable depreciation for assets on line 7a .....                         | 7b ■ | _____ |
|    | c Enter the amount of allowable depreciation for prior year assets adjusted for Sec. 70307 ..... | 7c ■ | _____ |
| 8  | Enhancement of Advanced Manufacturing Investment Credit (H.R. 1 Sec. 70308) .....                | 8 ■  | _____ |
| 9  | Exempt Facility Bond Rules for Spaceports (H.R. 1 Sec. 70309) .....                              | 9 ■  | _____ |
| 10 | Subpart F Provisions (H.R. 1 Sec. 70352 and 70354) .....   | 10 ■ | _____ |
| 11 | Enhancement of Employer-Provided Child Care Credit (H.R. 1 Sec. 70401) .....                     | 11 ■ | _____ |
| 12 | This line intentionally left blank. ....   | 12 ■ | _____ |
| 13 | Exception to Percentage of Completion Method of Accounting (H.R. 1 Sec. 70430) .....             | 13 ■ | _____ |

*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

- 14

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

14
- 15

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

15a
- b Enter the amount of allowable depreciation for assets on line 15a

15b
- c Enter the amount of allowable depreciation for prior year assets adjusted for Sec. 70434

15c
- 16

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

16
- 17

a Termination of Energy Efficient Commercial Buildings Deduction (H.R. 1 Sec. 70507)

17a
- b Reverse federally claimed depreciation for assets on line 17a

17b
- 18

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

18a
- b Reverse federally claimed depreciation for assets on line 18a

18b
- c Enter the amount of allowable depreciation for prior year assets adjusted for Sec. 70509

18c
- 19

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

19
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Other adjustments to federal taxable income

30
- 31

Total lines 1-30

31

You must include this schedule when you file Schedule KPC.



# 2025 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 1 – Expansion of FICA Tip Credit (H.R. 1 Sec. 70201)

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

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

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

### Line 2a - Full Expensing for Bonus Depreciation Property (H.R. 1 Sec. 70301)

*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 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 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. 70301

*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 partners on Schedule KPINC, line 2c or Schedule KPCNC, line 2c.

### Line 3a – Full Expensing for Domestic Research and Experimental Expenditures (H.R. 1 Sec. 70302)

*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 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 partners on Schedule KPINC, line 3b or Schedule KPCNC, line 3b.

## 2025 Schedule KPCNC Instructions (*continued*)

### **Line 3c – Enter the amount of allowable depreciation for prior year assets adjusted for Sec. 70302**

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

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

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

### **Line 4 – Modification of Limitation on Business Interest (H.R. 1 Sec. 70303)**

*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 partners on Schedule KPINC, line 4 or Schedule KPCNC, line 4.

### **Line 5 – Limitation on Deduction for Business Meals (H.R. 1 Sec. 70305)**

*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 partners on Schedule KPINC, line 5 or Schedule KPCNC, line 5.

### **Line 6a – Limitation for Expensing of Certain Depreciation Property (H.R. 1 Sec. 70306)**

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

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

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

### **Line 6b – Enter the amount of allowable depreciation for assets on line 6a**

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

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

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

### **Line 6c – Enter the amount of allowable depreciation for prior year assets adjusted for Sec. 70306**

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

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

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

### **Line 7a – Special Depreciation Allowance for Qualified Production Property (H.R. 1 Sec. 70307)**

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

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

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

### **Line 7b – Enter the amount of allowable depreciation for assets on line 7a**

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

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

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

### **Line 7c – Enter the amount of allowable depreciation for prior year assets adjusted for Sec. 70307**

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

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

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

### **Line 8 – Enhancement of Advanced Manufacturing Investment Credit (H.R. 1 Sec. 70308)**

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

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

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

### **Line 9 – Exempt Facility Bond Rules for Spaceports (H.R. 1 Sec. 70309)**

*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 partners on Schedule KPINC, line 9 or Schedule KPCNC, line 9.

*Continued*

## 2025 Schedule KPCNC Instructions (*continued*)

### **Line 10 – Subpart F Provisions (H.R. 1 Sec. 70352 and 70354)**

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

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

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

### **Line 11 – Enhancement of Employer-Provided Child Care Credit (H.R. 1 Sec. 70401)**

*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 partners on Schedule KPINC, line 11 or Schedule KPCNC, line 11.

### **Line 12**

This line is intentionally left blank.

### **Line 13 – Exception to Percentage of Completion Method of Accounting (H.R. 1 Sec. 70430)**

*C Corporation:* Include this amount on Schedule M4NC, line 13.

*S Corporation:* Pass this information through, pro rata, to shareholders on Schedule KSNC, line 13.

*Partnership:* Pass this information through, pro rata, to partners on Schedule KPINC, line 13 or Schedule KPCNC, line 13.

### **Line 14 – Expansion of Qualified Small Business Stock Gain Exclusion (H.R. 1 Sec. 70431)**

*C Corporation:* Include this amount on Schedule M4NC, line 14.

*S Corporation:* Pass this information through, pro rata, to shareholders on Schedule KSNC, line 14.

*Partnership:* Pass this information through, pro rata, to partners on Schedule KPINC, line 14 or Schedule KPCNC, line 14.

### **Line 15a – Treatment of Certain Sound Recording Productions (H.R. 1 Sec. 70434)**

*C Corporation:* Include this amount on Schedule M4NC, line 15a.

*S Corporation:* Pass this information through, pro rata, to shareholders on Schedule KSNC, line 15a.

*Partnership:* Pass this information through, pro rata, to partners on Schedule KPINC, line 15a or Schedule KPCNC, line 15a.

### **Line 15b – Enter the amount of allowable depreciation for assets on line 15a**

*C Corporation:* Include this amount on Schedule M4NC, line 15b.

*S Corporation:* Pass this information through, pro rata, to shareholders on Schedule KSNC, line 15b.

*Partnership:* Pass this information through, pro rata, to partners on Schedule KPINC, line 15b or Schedule KPCNC, line 15b.

### **Line 15c – Enter the amount of allowable depreciation for prior year assets adjusted for Sec. 70434**

*C Corporation:* Include this amount on Schedule M4NC, line 15c.

*S Corporation:* Pass this information through, pro rata, to shareholders on Schedule KSNC, line 15c.

*Partnership:* Pass this information through, pro rata, to partners on Schedule KPINC, line 15c or Schedule KPCNC, line 15c.

### **Line 16 – 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 16.

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

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

### **Line 17a – Termination of Energy Efficient Commercial Buildings Deduction (H.R. 1 Sec. 70507)**

*C Corporation:* Include this amount on Schedule M4NC, line 17a.

*S Corporation:* Pass this information through, pro rata, to shareholders on Schedule KSNC, line 17a.

*Partnership:* Pass this information through, pro rata, to partners on Schedule KPINC, line 17a or Schedule KPCNC, line 17a.

### **Line 17b – Reverse federally claimed depreciation for assets on line 17a**

*C Corporation:* Include this amount on Schedule M4NC, line 17b.

*S Corporation:* Pass this information through, pro rata, to shareholders on Schedule KSNC, line 17b.

*Partnership:* Pass this information through, pro rata, to partners on Schedule KPINC, line 17b or Schedule KPCNC, line 17b.

## 2025 Schedule KPCNC Instructions (*continued*)

### **Line 18a – Termination of Cost Recovery for Energy Property (H.R. 1 Sec. 70509)**

*C Corporation:* Include this amount on Schedule M4NC, line 18a.

*S Corporation:* Pass this information through, pro rata, to shareholders on Schedule KSNC, line 18a.

*Partnership:* Pass this information through, pro rata, to partners on Schedule KPINC, line 18a or Schedule KPCNC, line 18a.

### **Line 18b – Reverse federally claimed depreciation for assets on line 18a**

*C Corporation:* Include this amount on Schedule M4NC, line 18b.

*S Corporation:* Pass this information through, pro rata, to shareholders on Schedule KSNC, line 18b.

*Partnership:* Pass this information through, pro rata, to partners on Schedule KPINC, line 18b or Schedule KPCNC, line 18b.

### **Line 18c – Enter the amount of allowable depreciation for prior year assets adjusted for Sec. 70509**

*C Corporation:* Include this amount on Schedule M4NC, line 18c.

*S Corporation:* Pass this information through, pro rata, to shareholders on Schedule KSNC, line 18c.

*Partnership:* Pass this information through, pro rata, to partners on Schedule KPINC, line 18c or Schedule KPCNC, line 18c.

### **Line 19 – Employee Retention Credit Enforcement Provisions (H.R. 1 Sec. 70605)**

*C Corporation:* Include this amount on Schedule M4NC, line 19.

*S Corporation:* Pass this information through, pro rata, to shareholders on Schedule KSNC, line 19.

*Partnership:* Pass this information through, pro rata, to partners on Schedule KPINC, line 19 or Schedule KPCNC, line 19.

### **Lines 20 through 29**

These lines are intentionally left blank.

### **Line 30 - Other Adjustments to Federal Taxable Income**

*C Corporation:* Include this amount on Schedule M4NC, line 30.

*S Corporation:* Pass this information through, pro rata, to shareholders on Schedule KFNC, line 30.

*Partnership:* Pass this information through, pro rata, to partners on Schedule KPINC, line 30 or Schedule KPCNC, line 30.

### **Line 31 – Total**

Enter the total of lines 1 through 30.