NEAR FINAL DRAFT 10/29/25

DEPARTMENT OF REVENUE

* 2 4 7 2 4 1 *

# 2024 Schedule KPINC, 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

## Adjustments to federal taxable income (FTI)

| Line | Description | | Enter amounts as a positive or negative. Round amounts to nearest whole dollar. | Form M1 filers, include on: |
|---|---|---|---|---|
| 1 | a Full Expensing for Bonus Depreciation Property (H.R. 1 Sec. 70301) | 1a | | M1NC, Line 3a |
| | b Enter the amount of allowable depreciation for assets on line 1a | 1b | | M1NC, Line 3b |
| 2 | a Full Expensing for Domestic Research and Experimental Expenditures (H.R. 1 Sec. 70302) | 2a | | M1NC, Line 4a |
| | b Enter the amount of allowable depreciation for assets on line 2a | 2b | | M1NC, Line 4b |
| | c Enter the amount of allowable depreciation for prior year assets adjusted for Sec. 70302 | 2c | | M1NC, Line 4c |
| 3 | a Special Depreciation Allowance for Qualified Production Property (H.R. 1 Sec. 70307) | 3a | | M1NC, Line 5a |
| | b Enter the amount of allowable depreciation for assets on line 3a | 3b | | M1NC, Line 5b |
| 4 | Exempt Facility Bond Rules for Spaceports (H.R. 1 Sec. 70309) | 4 | | M1NC, Line 6 |
| 5 | Subpart F Provision (H.R. 1 Sec. 70354) | 5 | | M1NC, Line 7 |
| 6 | Exception to Percentage of Completion Method of Accounting (H.R. 1 Sec. 70430) | 6 | | M1NC, Line 8 |
| 7 | Expansion of Qualified Small Business Stock Gain Exclusion (H.R. 1 Sec. 70431) | 7 | | M1NC, Line 9 |
| 8 | a Treatment of Certain Sound Recording Productions (H.R. 1 Sec. 70434) | 8a | | M1NC, Line 10a |
| | b Enter the amount of allowable depreciation for assets on line 8a | 8b | | M1NC, Line 10b |
| 9 | Exclusion of Interest on Loans Secured by Rural or Agricultural Real Property (H.R. 1 Sec. 70435) | 9 | | M1NC, Line 11 |
| 10 | a Termination of Cost Recovery for Energy Property (H.R. 1 Sec. 70509) | 10a | | M1NC, Line 12a |
| | b Reverse federally claimed depreciation for assets on line 10a | 10b | | M1NC, Line 12b |
| 11 | Employee Retention Credit Enforcement Provisions (H.R. 1 Sec. 70605) | 11 | | M1NC, Line 13 |
| 12 | This line intentionally left blank | 12 | | |
| 13 | This line intentionally left blank | 13 | | |
| 14 | This line intentionally left blank | 14 | | |



*continued next page*

*247251*

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 income . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . | 16 | | M1NC, Line 18 |
| 17 | Total lines 1-16. If the result is a positive, enter it on Schedule KPI, line 6. If the amount is a negative, enter it as a positive number on Schedule KPI, line 19... . . . . . . . . . . | 17 | | |

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

# 2024 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 partnership and your nonconformity adjustments have changed, you must file an amended Minnesota return.

To amend your return, use one of the following:

- Form M1X, 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 1a – Full Expensing for Bonus Depreciation Property (H.R. 1 Sec. 70301)

*Individuals:* Include this amount on Schedule M1NC, line 3a.
*Trusts and Estates:* Include this amount on Schedule M2NC, line 1a.

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

*Individuals:* Include this amount on Schedule M1NC, line 3b.
Trusts and Estates: Include this amount on Schedule M2NC, line 1b.

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

*Individuals:* Include this amount on Schedule M1NC, line 4a.
*Trusts and Estates:* Include this amount on Schedule M2NC, line 2a.

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

*Individuals:* Include this amount on Schedule M1NC, line 4b.
*Trusts and Estates:* Include this amount on Schedule M2NC, line 2b.

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

*Individuals:* Include this amount on Schedule M1NC, line 4c.
*Trusts and Estates:* Include this amount on Schedule M2NC, line 2c.

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

*Individuals:* Include this amount on Schedule M1NC, line 5a.
*Trusts and Estates:* Include this amount on Schedule M2NC, line 3a.

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

*Individuals:* Include this amount on Schedule M1NC, 5b.
*Trusts and Estates:* Include this amount on Schedule M2NC, line 3b.

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

*Individuals:* Include this amount on Schedule M1NC, line 6.
*Trusts and Estates:* Include this amount on Schedule M2NC, line 4.

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

*Individuals:* Include this amount on Schedule M1NC, line 7.
*Trusts and Estates:* Include this amount on Schedule M2NC, line 5.

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

*Individuals:* Include this amount on Schedule M1NC, line 8.
*Trusts and Estates:* Include this amount on Schedule M2NC, line 6.

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

*Individuals:* Include this amount on Schedule M1NC, line 9.
*Trusts and Estates:* Include this amount on Schedule M2NC, line 7.

*Continued*

# 2024 Schedule KPINC Instructions Continued

### Line 8a – Treatment of Certain Sound Recording Productions (H.R. 1 Sec. 70434)
*Individuals:* Include this amount on Schedule M1NC, line 10a.
*Trusts and Estates:* Include this amount on Schedule M2NC, line 8a.

### Line 8b – Enter the amount of allowable depreciation for assets on line 8a
*Individuals:* Include this amount on Schedule M1NC, line 10b.
*Trusts and Estates:* Include this amount on Schedule M2NC, line 8b.

### Line 9 – Exclusion of Interest on Loans Secured by Rural or Agricultural Real Property (H.R. 1 Sec. 70435)
*Individuals:* Include this amount on Schedule M1NC, line 11.
*Trusts and Estates:* Include this amount on Schedule M2NC, line 9.

### Line 10a – Termination of Cost Recovery for Energy Property (H.R. 1 Sec. 70509)
*Individuals:* Include this amount on Schedule M1NC, 12a.
*Trusts and Estates:* Include this amount on Schedule M2NC, line 10a.

### Line 10b – Reverse federally claimed depreciation for assets on line 10a
*Individuals:* Include this amount on Schedule M1NC, line 12b.
*Trusts and Estates:* Include this amount on Schedule M2NC, line 10b.

### Line 11 – Employee Retention Credit Enforcement Provisions (H.R. 1 Sec. 70605)
*Individuals:* Include this amount on Schedule M1NC, line 13.
*Trusts and Estates:* Include this amount on Schedule M2NC, line 11.

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

### Line 16 – Other Adjustments to Federal Taxable Income
*Individuals:* Include this amount on Schedule M1NC, line 18.
*Trusts and Estates:* Include this amount on Schedule M2NC, line 16.

### Line 17 – Total
If the total on this line is a positive number, enter it on Schedule KPI, line 6. If the total on this line is a negative, enter it as a positive number on Schedule KPI, line 19.