



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 | ■ | _____ |

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| | | |
|--------------------|---------------------------------|---|
| 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 ■ | |
| 20 | Minnesota-Only Bonus Depreciation | 20 ■ | |
| 21 | This line intentionally left blank. | 21 ■ | |
| 22 | This line intentionally left blank. | 22 ■ | |
| 23 | This line intentionally left blank. | 23 ■ | |
| 24 | This line intentionally left blank. | 24 ■ | |
| 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 | 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.

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.

2025 Schedule KPCNC Instructions (*continued*)

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.

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.

Continued

2025 Schedule KPCNC Instructions *(continued)*

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.

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.

2025 Schedule KPCNC Instructions (*continued*)

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.

Line 20 – Minnesota-Only Bonus Depreciation

C Corporation: Include this amount on Schedule M4NC, line 20.

S Corporation: Pass this information through, pro rata, to shareholders on Schedule KSNC, line 20.

Partnership: Pass this information through, pro rata, to partners on Schedule KPINC, line 20 or Schedule KPCNC, line 20.

Lines 21 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.