



**DIVISION OF REVENUE AND TAXATION**  
**COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS**  
**ALLOCATION OF INCOME FOR PARTNERSHIP RETURN**



*(See instructions on reverse side)*

**Schedule**  
**1065-CM**

For calendar year 2009 or tax year beginning \_\_\_\_\_, 2009, ending \_\_\_\_\_, 20\_\_

**2009**

▶ **See separate instructions.**

<b>A</b> Principal business activity	Please type or print in ink	Name of partnership	D Employer identification number
<b>B</b> Principal product or service		Number, street, and room or suite no. (If a P.O. box, see the instructions.)	E Date business started
<b>C</b> Business code number		City or town, state, and ZIP code	F Total assets (see the instructions) \$ _____
<b>G</b> Check applicable boxes: (1) <input type="checkbox"/> Initial return (2) <input type="checkbox"/> Final return (3) <input type="checkbox"/> Name change (4) <input type="checkbox"/> Address Change (5) <input type="checkbox"/> Amended return (6) <input type="checkbox"/> Technical termination - also check (1) or (2)			
<b>H</b> Check accounting method: (1) <input type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ▶ _____			
<b>I</b> Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ _____			
<b>J</b> Check if Schedules C and M-3 attached <input type="checkbox"/>			

**Caution: Include only trade or business income and expenses on lines 1a through 22a below. See the instructions for more information.**

SOURCE OF INCOME				A	B	C
				INCOME WITHOUT	INCOME WITHIN	TOTAL
<b>Income</b>	1a	Gross receipts or sales . . . . .	1a			
	b	Less returns and allowances . . . . .	1b			
		Bal	1c			
	2	Cost of goods sold (Schedule A, line 8) . . . . .	2			
	3	Gross profit. Subtract line 2 from line 1c . . . . .	3			
	4	Ordinary income (loss) from other partnerships, estates, and trusts (attach statement) . . . . .	4			
	5	Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .	5			
	6	Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797) . . . . .	6			
7	Other income (loss) (attach statement) . . . . .	7				
8	<b>Total income (loss).</b> Combine lines 3 through 7 . . . . .	8				
<b>Deductions</b> (See the instructions for limitations on deductions.)	9	Salaries and wages (other than to partners) (less employment credits)	9			
	10	Guaranteed payments to partners . . . . .	10			
	11	Repairs and maintenance . . . . .	11			
	12	Bad debts . . . . .	12			
	13	Rents . . . . .	13			
	14	Taxes and licenses (Do not include non-refundable credits used on this return) . . . . .	14			
	15	Interest . . . . .	15			
	16a	Depreciation (attach Form 4562) . . . . .	16a			
	b	Less depreciation reported on Schedule A and elsewhere on return	16b			
		16c				
	17	Depletion (Do not deduct oil and gas depletion) . . . . .	17			
	18	Retirement plans, etc . . . . .	18			
	19	Employee benefit programs . . . . .	19			
	20	Other deductions (attach statement) . . . . .	20			
21	<b>Total deductions.</b> Add lines 9 through 20 . . . . .	21				
22a	<b>Ordinary business income (loss).</b> Subtract line 21 from line 8 . . . . .	22a				
b	Allocable percentage . . . . .	22b	_____ %	_____ %	100%	

**Sign Here** Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member manager) is based on all information of which preparer has any knowledge.

<b>Signature of general partner or limited liability company manager</b>	<b>Date</b>	<b>May the Division of Revenue and Taxation discuss this return with the preparer shown below (see instructions)?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Preparer's signature</b>	<b>Date</b>	<b>Check if self-employed</b> <input type="checkbox"/> <b>Preparer's SSN or PTIN</b>
<b>Paid Preparer's Use Only</b>	<b>Firm's name (or yours if self-employed), address and ZIP code</b>	<b>EIN</b> ▶ _____
		<b>Phone No.</b> ( ) _____

## 1065-CM INSTRUCTIONS

**This form shall be used as attachment to Form 1065, U.S. Return of Partnership Income. The purpose of this form is to allocate the income and expenses of the partnership income based on source of income and related expenses.**

1. For lines 1c through 22a, make appropriate source allocation from each line item based upon income source within and without the CNMI. Enter the figure in their respective column.
2. For line 22b, make the percentage allocation of the taxable income from each source in proportion to the total taxable income on line 22a by dividing the taxable income from line 22a, columns A and B by the total taxable income from line 22a, column C.

### **EXAMPLE:**

#### **Percentage allocation for line 22b, col. A**

Line 22a, column A  
\_\_\_\_\_ = Percentage allocation for line 22b, column A  
Line 22a, column C

#### **Percentage allocation for line 22b, column B**

Line 22a, column B  
\_\_\_\_\_ = Percentage allocation for line 22b, column B  
Line 22a, column C

**Caution:** If the percentage allocation is less than zero, enter zero. If more than 100%, enter only 100%.

3. All other instructions are contained in the regular Form 1065 instruction booklet.
4. Attach Schedule 1065-CM to Form 1065.

**NOTE:** The Partnership shall properly allocate the income (loss) to each shareholder. Also, all non-refundable credits shall be properly allocated to each shareholder under 4 CMC §1308(b).

However, any Business Gross Revenue Tax taken as a deduction shall not be allowed as a non-refundable credit.