

# Allocation of Income for Partnership Return

Department of Finance  
Division of Revenue and Taxation

For calendar year 2024, or tax year beginning \_\_\_\_\_, 2024, ending \_\_\_\_\_, 20\_\_ .

Check  if Amended Return

Commonwealth of the  
Northern Mariana Islands

<b>A</b> Principal business activity	<b>Type or Print</b>	Name of partnership	<b>D</b> Employer identification number
<b>B</b> Principal product or service		Number, street, and room or suite no. If a P.O. box, see instructions.	<b>E</b> Date business started
<b>C</b> Business code number		City or town, state or province, country, and ZIP or foreign postal code	<b>F</b> Total assets (see instructions) \$

- G** Check applicable boxes: (1)  Initial Return (2)  Final Return (3)  Name change (4)  Address change (5)  Amended return
- H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify): \_\_\_\_\_
- I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year \_\_\_\_\_
- J** Check if Schedules C and M-3 are attached
- K** Check if partnership: (1)  Aggregated activities for section 465 at-risk purposes (2)  Grouped activities for section 469 passive activity purposes

**Caution:** Include **only** trade or business income and expenses on lines 1a through 23a below. See instructions for more information.

Source of Income and Deductions		(A) INCOME WITHOUT	(B) INCOME WITHIN	(C) TOTAL INCOME
<b>Income</b>	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b>		
	<b>b</b> Less returns and allowances . . . . .	<b>1b</b>		
	<b>c</b> Balance. Subtract line 1b from line 1a . . . . .	<b>1c</b>		
	<b>2</b> Cost of goods sold (attach Form 1125-A) . . . . .	<b>2</b>		
	<b>3</b> Gross profit. Subtract line 2 from line 1c . . . . .	<b>3</b>		
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach statement)	<b>4</b>		
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .	<b>5</b>		
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)	<b>6</b>		
<b>7</b> Other income (loss) (attach statement) . . . . .	<b>7</b>			
<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .	<b>8</b>			
<b>Deductions (see instructions for limitations)</b>	<b>9</b> Salaries and wages (other than to partners) (less employment credits)	<b>9</b>		
	<b>10</b> Guaranteed payments to partners . . . . .	<b>10</b>		
	<b>11</b> Repairs and maintenance . . . . .	<b>11</b>		
	<b>12</b> Bad debts . . . . .	<b>12</b>		
	<b>13</b> Rent . . . . .	<b>13</b>		
	<b>14</b> Taxes and licenses . . . . .	<b>14</b>		
	<b>15</b> Interest (see instructions) . . . . .	<b>15</b>		
	<b>16a</b> Depreciation (if required, attach Form 4562)	<b>16a</b>		
	<b>b</b> Less depreciation reported on Form 1125-A and elsewhere on return . . . . .	<b>16b</b>		
	<b>16c</b>	<b>16c</b>		
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion</b> ) . . . . .	<b>17</b>		
	<b>18</b> Retirement plans, etc. . . . .	<b>18</b>		
	<b>19</b> Employee benefit programs. . . . .	<b>19</b>		
	<b>20</b> Energy efficient commercial buildings deduction (Attach Form 7205)	<b>20</b>		
	<b>21</b> Other deductions (attach statement) . . . . .	<b>21</b>		
<b>22 Total deductions.</b> Add lines 9 through 21 in each column. . . . .	<b>22</b>			
<b>23a Ordinary business income (loss).</b> Subtract line 22 from line 8 . . . . .	<b>23a</b>			
<b>b</b> Allocable percentage . . . . .	<b>23b</b>	%	<b>100%</b>	

**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 partner or limited liability company member) is based on all information of which preparer has any knowledge.

Signature of partner or limited liability company member \_\_\_\_\_ Date \_\_\_\_\_

May the DRT discuss this return with the preparer shown below? See instructions.  Yes  No

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name	Firm's EIN			
	Firm's address	Phone no.			

# 2024

## Supplemental Instructions for Schedule 1065CM

This form must be used as an attachment to Form 1065 (2024), U.S. Return of Partnership Income. The purpose of this form is to allocate the source of income and deductions of the partnership.

1. For lines 1c through 23a, make appropriate source allocation from each line item based upon income source within and without the CNMI. Enter the figure in their respective column.

*NOTE: Line 14. BGRT taken as deduction cannot be used as a non-refundable credit.*

2. For line 23b, make the percentage allocation of the taxable income from each source in proportion to the total taxable income on line 23a by dividing the taxable income from line 23a, column A by the total taxable income from line 23a, column C.

### EXAMPLE:

Percentage allocation for line 23b, column A

$$\frac{\text{Line 23a, column A}}{\text{Line 23a, column C}} = \text{Percentage allocation for line 23b, column A}$$

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

All other instructions are contained in the regular Form 1065 IRS instruction booklet.

Attach this Schedule 1065CM to the IRS 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).

### When to File

File Form 1065CM by the 15th day of the 3rd month following the date its tax year ended as shown at the top of Form 1065. For calendar year partnerships, the due date is March 15