

**SCHEDULE 2K-1**

**BENEFICIARY'S SHARE  
OF INCOME, DEDUCTIONS, ETC.**

**2001**

Wisconsin Department  
of Revenue

For 2001 or taxable year beginning \_\_\_\_\_, 2001, and ending \_\_\_\_\_, \_\_\_\_\_

Name of estate or trust \_\_\_\_\_

<b>Beneficiary's identifying number</b> ▶	<b>Estate or trust's federal I.D. number</b> ▶
Beneficiary's name and address	Fiduciary's name and address

(a) Distributive share items	(b) Federal amount	(c) Adjustment	(d) Wisconsin amount
1 Interest .....			
2 Dividends .....			
3 Net short-term capital gain .....			
4 Net long-term capital gain .....			
5 a Annuities, royalties and other non-passive income before directly apportioned deductions .....			
b Depreciation .....			
c Depletion .....			
d Amortization .....			
6 a Trade or business, rental real estate, and other rental income before directly apportioned deductions .....			
b Depreciation .....			
c Depletion .....			
d Amortization .....			
7 Income for minimum tax purposes .....			
8 Income for regular tax purposes (add lines 1 through 4, 5a and 6a) .....			
9 Adjustment for minimum tax purposes (subtract line 8 from line 7) .....			
10 Estate tax deduction .....			
11 Foreign taxes .....			
12 Tax preference items (itemize)			
a Accelerated depreciation .....			
b Depletion .....			
c Amortization .....			
d Exclusion items .....			
13 Distributions in the final year of estate or trust			
a Excess deductions on termination (attach computation) .....			
b Short-term capital loss carryover .....			
c Long-term capital loss carryover .....			
d Net operating loss (NOL) carryover for regular tax purposes .....			
e Net operating loss carryover for minimum tax purposes .....			
f .....			
14 Other (itemize)			
a Payments of estimated tax credited to you .....			
b Tax-exempt interest .....			
c through h (attach schedule if needed) .....			
15 a Development zone credits .....			
b Supplement to federal historic rehabilitation credit .....			
c Manufacturer's sales tax credit .....			

# BENEFICIARY'S INSTRUCTIONS FOR REPORTING INCOME, DEDUCTIONS, ETC., FROM SCHEDULE 2K-1

## Purpose of Schedule 2K-1

Similar to federal Schedule K-1, a trust or estate uses Schedule 2K-1 to report to you your share of the trust's or estate's income, deductions, etc. Lines 1 through 14 coincide with lines 1 through 14 of the federal Schedule K-1. Please keep it for your records.

Although an estate or trust is subject to income tax, you are liable for tax on your share of its income. However, there is never a double tax. If an estate or trust must distribute currently all of its income, you must report your share of the income distributed whether or not you have actually received it. If the fiduciary of an estate or trust has the choice of whether to distribute all or a part of the current income, you must report all income that is required to be distributed to you, whether or not it is actually distributed, plus all other amounts actually paid or credited to you, to the extent of your share of distributable net income.

## General Information

**Inconsistent Treatment of Items** – Generally, you must report items shown on your Schedule 2K-1 (and any attached schedules) consistently with the way the trust or estate treated the items on its return. If your treatment is (or may be) inconsistent with the estate or trust, attach a statement to your return explaining the inconsistency and your reason for such inconsistency.

**Errors** – If you believe the estate or trust has made an error on your Schedule 2K-1, notify the estate or trust and ask for a corrected Schedule 2K-1. Do not change any items on your copy. Be sure that the estate or trust sends a copy of the corrected Schedule 2K-1 to the Wisconsin Department of Revenue.

## Specific Instructions

**Name, Address, and Identifying Number** – Your name, address, and identifying number as well as the estate's or trust's name and identifying number and the fiduciary's name and address should be filled in.

**Lines 1 through 6** – The entries on these lines show the federal amount, adjustment, and Wisconsin amount of any distributive share items. Generally, you should have reported the federal amount on your federal income tax return. However, if the federal amount was computed using a provision of federal law that Wisconsin doesn't follow, the federal amount shown in column b will be the amount computed under federal law that applies for Wisconsin tax purposes. The estate or trust will identify these amounts on line 14c as "Schedule I adjustments." If you have a Schedule I adjustment, you must complete Wisconsin Schedule I before filling in your Wisconsin income tax return.

If the Wisconsin amount of any share item on lines 1 through 6 differs from the federal amount, you must account for this difference on your individual, trust, or estate income tax return. How you account for the difference depends on the share item and whether you are filing a Form 1 (Wisconsin residents), Form 1NPR (Wisconsin part-year residents or nonresidents), or Form 2 (trust or estate).

- If you are filing Form 1 or Form 2, account for any difference between the Wisconsin and federal amount of a share item on lines 1, 2, 5, and 6 that is allowable in computing Wisconsin adjusted

gross income by filling in the amount from Schedule 2K-1, column c on Form 1, lines 2 through 4 or lines 6 through 11, as appropriate, or Form 2, Schedule A.

- If you are filing Form 1NPR, include in column B on the appropriate line of Form 1NPR, along with any other Wisconsin income or loss, the Wisconsin amount (column d) of any share item on lines 1, 2, 5, and 6 that is allowable in computing Wisconsin adjusted gross income.
- Fill in the Wisconsin amount (column d) of the share items from lines 3 and 4 on the appropriate lines of Schedule WD, Form 1, or Schedule WD, Form 2. The amount from line 3, column d, should be filled in on line 3 of Schedule WD, Form 1 or Form 2. The amount from line 4, column d, should be filled in on line 10 of Schedule WD, Form 1, or line 9 of Schedule WD, Form 2.

**Lines 7 through 9 and Line 12** – The entries on these lines show the federal amount, adjustment, and Wisconsin amount of distributive share items relating to the alternative minimum tax and tax preference items. If the Wisconsin amount of any share item differs from the federal amount, you must account for the difference on Wisconsin Schedule MT. Fill in the amount of the adjustment for minimum tax purposes from line 9, column c and tax preference items from line 12, column c on line 8 of Schedule MT.

**Line 10** – If you are filing Form 1 or Form 1NPR, there is no itemized deduction credit for the estate tax deduction.

**Line 13a** – If you are filing Form 1 or Form 1NPR, there is no itemized deduction credit for excess deductions. If you are filing a Form 2 (estates or trusts), the amount in column (c) is a modification on Schedule A as an addition or subtraction, as appropriate.

**Lines 13b and 13c** – Any short-term capital loss carryover amount from column d of line 13b should be entered on line 3 of Schedule WD, Form 1, or Schedule WD, Form 2. Any long-term capital loss carryover amount from column d of line 13c should be entered on line 10 of Schedule WD, Form 1, or line 9 of Schedule WD, Form 2.

**Line 14a** – Wisconsin does not allow estates or trusts to transfer estimated tax payments to the beneficiary.

**Line 14b** – If you are filing Form 1 or Form 2, fill in the Wisconsin amount of tax-exempt interest (state and municipal interest) from column d of line 14b on line 2 of Form 1 or Schedule A of Form 2. If you are filing Form 1NPR, include the Wisconsin amount of tax-exempt interest (state and municipal interest) from column d of line 14b on line 2, column B of Form 1NPR.

**Line 15** – These credits apply to Wisconsin only.

**Development Zone Credits** – Enter these tax credits on your Wisconsin Schedule DC.

**Historic Rehabilitation Credit (line 15b)** – See the "Special Instructions" in your Wisconsin income tax booklet (Form 1 or 1NPR) to determine where you should enter this credit.

**Manufacturer's Sales Tax Credit (line 15c)** – Enter this tax credit on your Wisconsin Schedule MS.