

For the CALENDAR year **2004** or other taxable period beginning _____ and ending _____
Mo Day Year Mo Day Year

SEQUENCE #4

Due date for CALENDAR year filers is on or before April 15, 2005 or the 15th day of the 4th month after the close of the taxable period.
YOU ARE REQUIRED TO FILE THIS FORM IF GROSS BUSINESS INCOME WAS GREATER THAN \$50,000.

STEP 1 Please Print or Type	NAME OF PARTNERSHIP	FEDERAL EMPLOYER IDENTIFICATION NUMBER
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STEP 2
Figure
Your
Tax

1	INCOME AND DEDUCTIONS (See instructions)	BONUS DEPRECIATION		
	(a) Ordinary income (loss) from trade or business activities.....	<input type="checkbox"/>1(a)	<input type="text"/>
	(b) Net income (loss) from rental real estate activities.....	<input type="checkbox"/>1(b)	<input type="text"/>
	(c) Net income (loss) from other rental activities.....	<input type="checkbox"/>1(c)	<input type="text"/>
	(d) Portfolio income (loss).....		.....1(d)	<input type="text"/>
	(e) Guaranteed payments to partners.....		.....1(e)	<input type="text"/>
	(f) Other income or (loss) from partnership activities NOT INCLUDED in Lines 1(a) through 1(e) above .....		.....1(f)	<input type="text"/>
	(g) Partnership deductions from Federal Form 1065, Schedule K, .....		.....1(g)	(<input type="text"/>)
	(h) TOTAL [Combine Lines 1(a) through 1(g)].....		.....1(h)	<input type="text"/>
2	NET GAIN (LOSS) FROM SALE OF ASSETS (See instructions) Attach schedule if additional space is needed.			
	Description of Property		Gain (Loss)	
	(a) _____		<input type="text"/>	<input type="text"/>
	(b) _____		<input type="text"/>	<input type="text"/>
	(c) TOTAL GAIN (LOSS) FROM SALE OF ASSETS [Combine Lines 2(a) and 2(b)].....		.....2(c)	<input type="text"/>
3	INSTALLMENT GAIN (LOSS) Attach schedule if additional space is needed.			
	Date of Original Sale	Description of Property	Gain (Loss)	
	Mo Day Year			
	(a) _____	_____	<input type="text"/>	<input type="text"/>
	(b) _____	_____	<input type="text"/>	<input type="text"/>
	(c) TOTAL INSTALLMENT GAIN (LOSS) [Combine Lines 3(a) and 3(b)] .....		..... 3(c)	<input type="text"/>
4	SEPARATE ENTITY ADJUSTMENT			
5	GROSS BUSINESS PROFITS Line 1(h) adjusted by Lines 2(c), 3(c) and 4. (See instructions)			
6	COMPENSATION DEDUCTION FOR PERSONAL SERVICES (See instructions).....			
7	SUBTOTAL (Line 5 adjusted by Line 6). If a loss show in parenthesis			
8	NH ADDITIONS AND DEDUCTIONS (See instructions)			
	(a) Add back income taxes or franchise taxes measured by income .....		..... 8(a)	<input type="text"/>
	(b) NH Net Operating Loss Deduction (Attach Form DP-132) .....		..... 8(b)	(<input type="text"/>)
	(c) Interest on direct US obligations .....		..... 8(c)	(<input type="text"/>)
	(d) Wage adjustment required by IRC Section 280C .....		..... 8(d)	(<input type="text"/>)
	(e) Add back expenses related to income exempt under federal constitutional laws.....		.....8(e)	<input type="text"/>
	(f) Distribution from a joint venture or second partnership .....		..... 8(f)	<input type="text"/>
	(g) Add the amount of increase in the basis of assets which was due to the sale or exchange of interest in the partnership (RSA 77-A:4, XIV) .....		..... 8(g)	<input type="text"/>
	(h) Interest and dividends subject to tax under RSA 77 .....		.....8(h)	(<input type="text"/>)
	(i) Contributions made to a Qualified Investment Capital Company prior to 5/24/04 ..		..... 8(i)	(<input type="text"/>)
	(j) Add back return of capital received from a Qualified Investment Capital Company .		..... 8(j)	<input type="text"/>
	(k) Other additions and deductions required by RSA 77-A:4 (Attach schedule) .....		..... 8(k)	<input type="text"/>
	(l) TOTAL ADDITIONS AND DEDUCTIONS [Combine Lines 8(a) through 8(k)] .....		..... 8(l)	<input type="text"/>
9	Adjusted Gross Business Profits (Line 7 adjusted by Line 8(l)). [If negative, show in parenthesis eg.(50)]			
10	New Hampshire Apportionment (Form DP-80, Line 5. Express as a decimal to 6 places)			
11	New Hampshire Taxable Business Profits (Line 9 x Line 10)			
12	New Hampshire Business Profits Tax (Line 11 x 8.5%)			

STEP 3
Figure
Your
Credits

13	Credits allowed under RSA 77-A:5 as shown on Form DP-160			
14	Subtotal (Line 12 minus Line 13) .....		..... 14	<input type="text"/>
15	Business Enterprise Tax Credit (See instructions) .....		..... 15	<input type="text"/>
16	Business Enterprise Tax Credit to be applied against Business Profits Tax (Enter the lesser of Line 14 or Line 15. See instructions) .....		..... 16	<input type="text"/>
17	NH Business Profits Tax Net of Statutory Credits (Line 14 minus Line 16) .....		..... 17	<input type="text"/>

ENTER THE AMOUNT FROM LINE 17 ON LINE 1(B) OF THE BUSINESS TAX SUMMARY.
If you have completed this return it must be filed with the BT-Summary and all applicable federal schedules.

NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION
PARTNERSHIP BUSINESS PROFITS TAX RETURN
 LINE-BY-LINE INSTRUCTIONS

Federal 1065-B Filers	Taxpayers who file a 1065-B, U.S. Return of Income for Electing Large Partnerships, should follow the line descriptions and NOT the line cites. If you have questions about what items should be included or where, then please call the Audit Division at (603) 271-3400.
STEP 1 Name & FEIN	At the top of the return enter the beginning and ending dates of the taxable period if different than the calendar year. Please PRINT the partnership's name and Federal Employer Identification Number in the spaces provided.
Schedule R	Check the box and complete the Non-Corp Schedule R for each separate activity.
STEP 2 Figure Your Tax	<p>Line 1: INCOME AND DEDUCTIONS If in any period you took any IRC Section 179 deductions for assets acquired after December 31, 2000 or any bonus depreciation deductions for assets acquired after September 10, 2001 and before September 11, 2004, you must use the Schedule R for Non-Corporate Business Profits Tax Reconciliation of NH Gross Business Profits to calculate amounts to enter in Lines 1(a), 1(b), 1(c) and 1(f).</p> <p>(a) Enter the amount of ordinary income (loss) from trade or business activities from the Federal Form 1065, Page 1. (b) Enter the amount of net income (loss) from rental real estate activities from Federal Form 1065, Schedule K. (c) Enter the amount of net income (loss) from other rental activities from Federal Form 1065, Schedule K. (d) Enter the total amount of interest, dividend, royalty or other portfolio income from Federal Form 1065, Schedule K. (e) Enter the amount of guaranteed payments to partners from Federal Form 1065, page 1. (f) Enter the amount of income (loss) from any partnership activities which have NOT BEEN INCLUDED in Lines 1 (a) through 1 (e) of this return. Attach supporting schedule. (g) Enter the amount of partnership deductions which are deducted on Federal Form 1065, Schedule K. (h) Enter the total of Lines 1(a) through 1(g).</p> <p>Line 2: NET GAIN (LOSS) FROM SALE OF ASSETS Enter a complete description of any property sold on a non-installment basis, including the address if the property was real estate. Report the gain or loss on the sale without the effects of federal passive loss limitation rules. Do not include any ordinary income or loss from the sale of the assets that was already included in Line 1 of NH-1065. If a loss, show in parenthesis, e.g. (\$50). If there were any sales of assets on which additional IRC Section 179 deductions were reported in any year and/or for which bonus depreciation was reported in any year, you must use the Schedule R for Non-Corporate Business Profits Tax reconciliation of NH Gross Business Profits to determine the amounts to include here for those assets.</p> <p>Line 3: INSTALLMENT GAIN (LOSS) Taxpayers who are reporting the sale of business assets on the installment basis for federal tax purposes must also use the installment method on Form NH-1065. Enter the original date of the sale. Report the installment gain (loss) received this year without the effects of federal passive loss limitation rules. Do not include any ordinary income (loss) from the installment sale of assets that was already included in Line 1 of NH-1065. If a loss, show in parenthesis, e.g. (\$50). If there were any installment sales of assets on which additional IRC Section 179 deductions were reported in any year and/or for which bonus depreciation was reported in any year, you must use the Schedule R for Non-Corporate Business Profits Tax Reconciliation of NH Gross Business Profits to determine the amounts to include here for those assets. Under certain conditions, an election can be made by using Form DP-95 to report the entire gain in the year of sale. Form DP-95 may be obtained by accessing our web site at www.revenue.nh.gov or by contacting the forms line at (603) 271-2192. Taxpayers who have sold business or rental property on the installment basis will be considered a business organization until all the installments have been reported and the total tax paid. The partnership MUST file a return every year, regardless of the amount of installments, if the actual sales price exceeded \$6,000 for tax years ending prior to July 1, 1981 or \$12,000 for tax years ending July 1, 1981 through June 30, 1993, or \$50,000 for tax years ending July 1, 1993 and after. If you need additional space, please attach a schedule.</p> <p>Line 4: SEPARATE ENTITY ADJUSTMENT Enter the amounts which arise from the necessity of adjusting gross business profits to accommodate the New Hampshire requirement of separate entity treatment of business organizations. This would include the partnership's share of another partnership's activity in which it is a partner as reported on Lines 1(a) through 3(c). Attach a separate schedule detailing the amount and type of adjustments.</p> <p>Line 5: GROSS BUSINESS PROFITS TAX Combine Lines 1(h), 2(c), 3(c) and 4. If a loss, show dollar amount in parenthesis, e.g. (\$50).</p> <p>Line 6: COMPENSATION FOR PERSONAL SERVICES Enter on Line 6 the dollar value of the services performed by the partners during the taxable period. Only natural persons are permitted a deduction for personal services. Corporate partners or other entities which are partners are not permitted a deduction. Compensation is only allowed for the partners who actually render personal services to the business. The MINIMUM STATUTORY DEDUCTION OF \$6,000 IS ALLOWED TO EACH PARTNER WHO actually rendered services during the current taxable period even if such services are valued at less than \$6,000. RSA 77-A:4 limits the MAXIMUM compensation deduction to the sum of the following amounts included in your federal income tax schedule: (1) Ordinary income or loss from trade or business activities from Federal Form 1065, Schedule K; (2) Income or loss from rental properties from Federal Form 1065, Schedule K; (3) Guaranteed payments to partners from Federal Form 1065, Schedule K; (4) Income or loss from activities in the regular trade or business of the partnership that are specifically allocated to the individual partners; (5) 15% of the sales price as shown on Federal Form 4797, 6252 or other applicable federal forms for the sale of business assets provided the partner acted as the broker or agent and no other broker or agent was involved in the sale of the property. (6) In instances where the partner(s) act(s) as a co-broker, the maximum deduction shall be the difference between the 15 percent of the actual sales price and the amounts paid to other brokers or agents. To determine the reasonableness of the compensation deduction, use comparative compensation data from business organizations of similar size, volume and complexity from industry statistics or from publications such as, but not limited to, The American Almanac of Jobs and Salaries or the New Hampshire Wages and Benefits Survey. The partnership must maintain adequate records to substantiate the activities performed by each partner and the methods used to determine the rate of compensation for such activities.</p>

STEP 2 (con't)	<p>Line 7: SUBTOTAL Enter the amount of Line 5 minus Line 6. If a loss, show dollar amount in parenthesis, e.g. (\$50). This amount represents the partnership's net operating loss for future deduction. This amount is subject to the carryback and apportionment provisions pursuant to RSA 77-A:3, RSA 77-A:4 and Rev 303.03 and Rev 304 represent the partner's net operating loss for future deductions.</p>
	<p>Line 8: NH ADDITIONS AND DEDUCTIONS</p> <p>(a) Enter the total NH Business Profits Tax and any income tax, franchise tax measured by net income or capital stock tax assessed by any state or political subdivision that was deducted on this year's federal return. Attach a schedule of taxes by state. Do not include the NH Business Enterprise Tax liability in this amount. Include foreign taxes based on income as reported on your federal Schedule K.</p> <p>(b) Enter the amount of carryforward loss available as shown on Line 11 of Form DP-132. Form DP-132 must be attached to the return.</p> <p>(c) Enter the amount of gross business profits as is attributable to income derived from non-taxable interest on notes, bonds or other direct securities of the United States Government.</p> <p>(d) Enter the amount of jobs credit (IRC Section 280C) deducted on this year's federal return.</p> <p>(e) Expenses paid or incurred that relate to the excluded income portion must be added back here.</p> <p>(f) In the case of a partnership which is a participant in a joint venture or a partner in another partnership, enter the amount of distribution from the joint venture or partnership whose gross business profits have already been subject to taxation under RSA 77-A during the same or an overlapping fiscal period. Attach a schedule listing the name, federal employer identification number and amount(s) paid by each joint venture or partnership. If this amount is a negative number, show in parenthesis. e.g. (\$50)</p> <p>(g) If the basis of any underlying assets was increased due to a transfer or sale of the interest or beneficial interest of the partnership, then enter the amount of the net increase in the assets. (The increase in the basis of assets is determined by the IRC as defined in RSA 77-A:1,XX).</p> <p>(h) If the partnership is subject to tax under RSA 77, enter the amount of interest and/or dividends shown on Line 1(d) above which is attributable to the NH partners pro rata share net of any deduction taken on Line 8(c). Interest & Dividends Tax Form DP-10 may be obtained by visiting our web site at www.revenue.nh.gov or by calling (603) 271-2192.</p> <p>(i) Enter a deduction equal to the contribution made to a Qualified Investment Capital Company prior to 5/24/04 during the applicable taxable period.</p> <p>(j) Enter an addition equal to any return of capital previously taken as a deduction as a capital contribution made prior to 5/24/04 to a Qualified Investment Capital Company if such return of capital is received within 3 taxable periods after the taxable period in which it was deducted.</p> <p>(k) Enter the amount of other additions and deductions required by RSA 77-A:4. Attach a Schedule.</p> <p>(l) Enter the total of Lines 8(a) through 8(k).</p>
	<p>Line 9: ADJUSTED GROSS BUSINESS PROFITS Enter the total of Line 7 as adjusted by Line 8(l).</p>
	<p>Line 10: NEW HAMPSHIRE APPORTIONMENT Partnerships which have business activity both inside and outside New Hampshire AND which are subject to income taxes or a franchise tax measured by net income in another state, or is subject to the jurisdiction of another state to impose a net income tax or capital stock tax upon it, whether or not actually imposed by the other state, must apportion their gross business profits to NH by using Form DP-80, Apportionment of Income. Form DP-80 may be obtained by accessing our web site at www.revenue.nh.gov or by calling (603) 271-2192. After completing Form DP-80, enter the apportionment percentage on Line 10 of your Form NH-1065. Show to six decimal places. All others enter 1.00 on Line 10.</p>
	<p>Line 11: Enter the product of Line 9 multiplied by Line 10. If negative, enter zero.</p>
<p>Line 12: Enter the product of Line 11 multiplied by 8.5%.</p>	

STEP 3 Figure Your Credits	Line 13: CREDITS Enter the amount of credits allowed under RSA 77-A:5, as shown on Form DP-160. Form DP-160, Schedule of Business Profits Tax Credits, must be filed with the return to support all credits claimed on Line 13. Form DP-160 may be obtained by visiting our web site at www.revenue.nh.gov or by calling (603) 271-2192. DO NOT INCLUDE THE BET CREDIT ON THIS LINE.
	Line 14: Enter the amount of Line 12 minus Line 13.
	Line 15: BUSINESS ENTERPRISE TAX CREDIT Business Enterprise Tax paid shall be applied as a credit against Business Profits Tax. Any unused portion of the credit may be carried forward and allowed against Business Profits Tax due for up to 5 taxable periods from the period in which the Business Enterprise Tax was paid. To calculate the BET credit to be applied against this year's BPT, complete the following worksheet.

BET CREDIT WORKSHEET					
	Taxable period ended	Taxable period ended	Taxable period ended	Taxable period ended	Taxable period ended
A BET Credit Carryforward Amount <small>*See note below</small>	[]	→ []	→ []	→ []	→ []
B Current Period BET liability from Form BET, Line 5	[]	[]	[]	[]	[]
C Expiring BET Credit Carryforward <small>**See note below</small>	([])	([])	([])	([])	([])
D BET Credit Available <small>(Sum of Lines A, B and C) Enter on Line 15 of NH-1065</small>	[]	[]	[]	[]	[]
E Current Period BPT liability From NH-1065, Line 14	[]	[]	[]	[]	[]
F BET Credit Deduction this Period (the lesser of Line D or Line E) Enter on Line 16 of NH-1065	[]	[]	[]	[]	[]
G Credit Carryforward Amount (Line D minus Line F) <small>Carry this amount forward and indicate on Line A in subsequent period.</small>	[]	[]	[]	[]	[]

*Note: The Line A amount in the first column is from Line G, the credit carryforward amount of the previous year's BET CREDIT WORKSHEET. If this is your initial year of the BET, enter zero.

** Note: The BET credit may be carried forward and allowed against BPT taxes due for 5 taxable periods from the period in which the tax was paid. Any unused credit prior to the 5 most current tax periods expiring in this taxable period is unavailable and should be included in Line C.

STEP 3 Figure Your Credits (contin- ued)	Line 16: Enter the lesser amount of Line 14 or Line 15. If Line 15 is greater than Line 14, then a Business Enterprise Tax Credit carryforward exists. Any unused portion of the current taxable periods Business Enterprise Tax Credit may be carried forward and credited against any Business Profits Tax due in a subsequent taxable period.
	Line 17: ENTER THE AMOUNT FROM LINE 17 ON LINE 1(b) OF THE BT-SUMMARY AND ATTACH ALL APPLICABLE FEDERAL SCHEDULES.