



Important Information to Look for When Reviewing Your Tax Return

Federal Partnership Income Tax return (1065)

Federal Income Tax Summary

This shows your trade / business income, deductions, Schedule K income (or loss), among other things.

Federal Balance Sheet Summary

This shows your ending assets and liabilities & capital

State Income Tax Summary (if applicable)

Shows the same information as 1. Federal Income Tax Summary

Partners' Allocation Percentages

This shows each partner's name and ownership percentage

If this has changed from the previous year, please double check the names and percentages are correct for the current filing year.

Form 1065, Page 1

Here are some items to keep an eye out for on the top half of the page:

- Business name + address
- Principal business activity
- Principal product or service
- Employer identification no
- Date business started

Here are some items to keep an eye out for on the **bottom half** of the page:

- Line 1a, b & c - Gross receipts or sales, Returns and allowances and Balance, respective
- Line 3 - Gross profit
- Line 8 - Total income (loss)
- Line 21 - Total deductions
- Line 22 - Ordinary Business Income (loss)
- Line 27 - Total Balance Due
- Line 29 - Amount Owed
- Line 30 - Overpayment

*Generally, a partnership will not owe any tax or have any overpayment of tax. All partners report their share of partnership income passed through to them on Schedule K-1.



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Schedule K-1

Part II - Information About the Partner

- Line E - Partner's SSN or TIN
- Line F - Name + address

Part III - Partner's Share of Current Year Income, Deductions, Credits, and Other Items

- Line 1 - Ordinary business income (loss)

Schedule B-1

Part II - Individuals or Estates Owning 50% or More of the Partnership

- Make sure the Names, Identifying Numbers, Country of Citizenship and Maximum Percentage Owned in Profit, Loss, or Capital are correct.

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Ensure the Other Deductions are correct

**If any of the above information is not presented correctly on your tax return, please let us know immediately so we can correct it prior to filing.*

If you have any questions concerning the above information, please contact your Tax Adviser for clarification.

We are happy to schedule a call to review your tax return.



Federal Partnership Income Tax Return (1065) Examples

Federal Income Tax Summary

2020	FEDERAL INCOME TAX SUMMARY	PAGE 1
TRADE OR BUSINESS INCOME		
GROSS RECEIPTS LESS RETURNS.....		107,942
GROSS PROFIT.....		107,942
TOTAL INCOME (LOSS).....		107,942
TRADE OR BUSINESS DEDUCTIONS		
RENT.....		12,155
TAXES AND LICENSES.....		20
INTEREST.....		165
DEPRECIATION.....		18,100
OTHER DEDUCTIONS.....		82,015
TOTAL DEDUCTIONS.....		112,455
SCHEDULE K - INCOME		
ORDINARY BUSINESS INCOME (LOSS).....		-4,513
SCHEDULE K - SELF-EMPLOYMENT		
NET EARN. (LOSS) FROM SELF-EMPLOYMENT.....		-2,256
SCHEDULE K - OTHER		
NONDEDUCTIBLE EXPENSES.....		1,920
SCHEDULE L - BALANCE SHEET		
BEGINNING ASSETS.....		0
BEGINNING LIABILITIES AND CAPITAL.....		0
ENDING ASSETS.....		42,320
ENDING LIABILITIES AND CAPITAL.....		42,320

Federal Balance Sheet Summary

2020	FEDERAL BALANCE SHEET SUMMARY	PAGE 1
ENDING ASSETS		
CASH.....		15,741
BUILDINGS AND OTHER ASSETS.....	44,678	
LESS ACCUMULATED DEPRECIATION.....	(18,100)	26,578
OTHER ASSETS.....		1
TOTAL ASSETS.....		42,320
ENDING LIABILITIES & CAPITAL		
OTHER CURRENT LIABILITIES.....		39,153
PARTNERS' CAPITAL ACCOUNTS.....		3,167
TOTAL LIABILITIES AND CAPITAL.....		42,320



Federal Partnership Income Tax Return (1065) Examples

State Income Tax Summary (if applicable)

2020	CALIFORNIA INCOME TAX SUMMARY	PAGE 1
TRADE OR BUSINESS INCOME		
GROSS RECEIPTS LESS RETURNS.....		107,942
GROSS PROFIT.....		107,942
TOTAL INCOME (LOSS).....		107,942
TRADE OR BUSINESS DEDUCTIONS		
DEDUCTIBLE INTEREST EXPENSE.....		165
DEPRECIATION.....		3,304
OTHER DEDUCTIONS.....		94,190
TOTAL DEDUCTIONS.....		97,659
INCOME		
ORDINARY INCOME (LOSS).....		10,283

Partners' Allocation Percentages

2020	PARTNERS' ALLOCATION PERCENTAGES				PAGE 1
Partner Number	Partner Name	Partner Identification Number	Partner Percentage of Profit Sharing	Partner Percentage of Loss Sharing	Partner Percentage of Ownership of Capital
1			50.000000	50.000000	50.000000
2			50.000000	50.000000	50.000000
		TOTALS	<u>100.000000</u>	<u>100.000000</u>	<u>100.000000</u>



Federal Partnership Income Tax Return (1065) Examples

Form 1065 | Page 1

Form 1065 Department of the Treasury Internal Revenue Service		U.S. Return of Partnership Income For calendar year 2020, or tax year beginning _____, 20____, ending _____, 20____. Go to www.irs.gov/Form1065 for instructions and the latest information.		OMB No. 1545-0123 2020
A Principal business activity B Principal product or service C Business code number	Type or Print LAS LLC 608 SANTA MONICA LOS ANGELES, CA	D Employer identification no. E Date business started F Total assets (see instructions)		
G Check applicable boxes: (1) <input checked="" 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 H Check accounting method: (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> 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 <input type="checkbox"/> K Check if partnership: (1) <input type="checkbox"/> Aggregated activities for section 465 at-risk purposes (2) <input type="checkbox"/> Grouped activities for section 469 passive activity purposes				
Caution: Include only trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.				
INCOME	1a Gross receipts or sales	1a	107,942.	
	b Returns and allowances	1b		
	c Balance. Subtract line 1b from line 1a	1c	107,942.	
	2 Cost of goods sold (attach Form 1125-A)	2		
	3 Gross profit. Subtract line 2 from line 1c	3	107,942.	
	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 Total income (loss). Combine lines 3 through 7	8	107,942.	
SEE INSTRUCTIONS FOR 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 Rent	13	12,155.	
	14 Taxes and licenses	14	20.	
	15 Interest (see instructions)	15	165.	
	16a Depreciation (if required, attach Form 4562)	16a	18,100.	
	b Less depreciation reported on Form 1125-A and elsewhere on return	16b		16c 18,100.
	17 Depletion (Do not deduct oil and gas depletion)	17		
18 Retirement plans, etc.	18			
19 Employee benefit programs	19			
20 Other deductions (att stmt)	20	SEE STATEMENT 1		
21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20	21	82,015.		
22 Ordinary business income (loss). Subtract line 21 from line 8	22	112,455.		
TAX AND PAYMENT	23 Interest due under the look-back method - completed long-term contracts (attach Form 8697)	23		
	24 Interest due under the look-back method - income forecast method (attach Form 8866)	24		
	25 BBA AAR imputed underpayment (see instructions)	25		
	26 Other taxes (see instructions)	26		
	27 Total balance due. Add lines 23 through 26	27		
	28 Payment (see instructions)	28		
	29 Amount owed. If line 28 is smaller than line 27, enter amount owed	29		
	30 Overpayment. If line 28 is larger than line 27, enter overpayment	30		

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

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	MIGUEL CENTENO	MIGUEL CENTENO			P01530730
	Firm's name	Firm's EIN		Phone no.	
	CENTURION GROUP ADVISORS, INC	81-3985337		866-235-8426	
	Firm's address				
	553 N. PACIFIC COAST HWY				
	REDONDO BEACH, CA 90277				



Federal Partnership Income Tax Return (1065) Examples

Schedule K-1

Schedule K-1
(Form 1065)

Department of the Treasury
Internal Revenue Service

2020

For calendar year 2020, or tax year

beginning / / 2020 ending / /

Partner's Share of Income, Deductions, Credits, etc.
See separate instructions.

Part I Information About the Partnership

A Partnership's employer identification number

B Partnership's name, address, city, state, and ZIP code

C IRS Center where partnership filed return ▶ E-FILE

D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's SSN or TIN (Do not use TIN of a disregarded entity. See instructions.)

F Name, address, city, state, and ZIP code for partner entered in E. See instructions.

G General partner or LLC member-manager Limited partner or other LLC member

H Domestic partner Foreign partner

H2 If the partner is a disregarded entity (DE), enter the partner's:
TIN Name

I1 What type of entity is this partner? INDIVIDUAL

I2 If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here

J Partner's share of profit, loss, and capital (see instructions):

	Beginning	Ending
Profit	50 %	50 %
Loss	50 %	50 %
Capital	50 %	50 %

Check if decrease is due to sale or exchange of partnership interest

K Partner's share of liabilities:

	Beginning	Ending
Nonrecourse	\$	\$
Qualified nonrecourse financing	\$	\$
Recourse	\$	\$

Check this box if item K includes liability amounts from lower tier partnerships.

L Partner's Capital Account Analysis

Beginning capital account	\$
Capital contributed during the year	\$
Current year net income (loss)	\$
Other increase (decrease) (attach explanation)	\$
Withdrawals & distributions	\$
Ending capital account	\$

M Did the partner contribute property with a built-in gain or loss?

Yes No If "Yes," attach statement. See instructions.

N Partner's Share of Net Unrecognized Section 704(c) Gain or (Loss)

Beginning	\$
Ending	\$

Final K-1

Amended K-1

651119

OMB No. 1545-0123

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

1	Ordinary business income (loss)	15	Credits
	-2,256.		
2	Net rental real estate income (loss)		
3	Other net rental income (loss)	16	Foreign transactions
4a	Guaranteed payments for services		
4b	Guaranteed payments for capital		
4c	Total guaranteed payments		
5	Interest income		
6a	Ordinary dividends		
6b	Qualified dividends		
6c	Dividend equivalents	17	Alternative minimum tax (AMT) items
7	Royalties		
8	Net short-term capital gain (loss)		
9a	Net long-term capital gain (loss)	18	Tax-exempt income and nondeductible expenses
9b	Collectibles (28%) gain (loss)	C	960.
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)		
11	Other income (loss)	19	Distributions
12	Section 179 deduction	20	Other information
		Z*	STMT
13	Other deductions		
14	Self-employment earnings (loss)		
	A -2,256.		
21	<input type="checkbox"/> More than one activity for at-risk purposes*		
22	<input type="checkbox"/> More than one activity for passive activity purposes*		
*See attached statement for additional information.			

BAA For Paperwork Reduction Act Notice, see Instructions for Form 1065.

www.irs.gov/Form1065

Schedule K-1 (Form 1065) 2020

PARTNER 1

PTPA0312L 07/08/20



Federal Partnership Income Tax Return (1065) Examples

Schedule B-1

SCHEDULE B-1 (Form 1065)

(Rev. August 2019)
Department of the Treasury
Internal Revenue Service

Information on Partners Owning 50% or More of the Partnership

▶ Attach to Form 1065.
▶ Go to www.irs.gov/Form1065 for the latest information.

OMB No. 1545-0123

Name of partnership	Employer identification number (EIN)
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Part I Entities Owning 50% or More of the Partnership (Form 1065, Schedule B, Question 2a (Question 3a for 2009 through 2017))

Complete columns (i) through (v) below for any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, tax-exempt organization, or any foreign government that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital

Part II Individuals or Estates Owning 50% or More of the Partnership (Form 1065, Schedule B, Question 2b (Question 3b for 2009 through 2017))

Complete columns (i) through (iv) below for any individual or estate that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Individual or Estate	(ii) Identifying Number (if any)	(iii) Country of Citizenship (see instructions)	(iv) Maximum Percentage Owned in Profit, Loss, or Capital
↑	↑	UNITED STATES	50.000
↑	↑	UNITED STATES	50.000
		↑	↑



Federal Partnership Income Tax Return (1065) Examples

Federal Statements, Page 1

2020

FEDERAL STATEMENTS

PAGE 1

**STATEMENT 1
FORM 1065, LINE 20
OTHER DEDUCTIONS**

ADVERTISING	\$	80.
AUTO AND TRUCK EXPENSE		3,886.
BANK CHARGES		285.
FOOD SUPPLIES		16,742.
LEGAL AND PROFESSIONAL		2,960.
MEALS		1,921.
OFFICE EXPENSE		11,012.
OUTSIDE SERVICES		42,289.
PARKING AND TOLLS		30.
POSTAGE		177.
SUPPLIES		148.
TRAVEL		2,191.
UTILITIES		294.
	TOTAL \$	<u>82,015.</u>