



# Instructions for Form 8082

(Revised June 1990)

## Notice of Inconsistent Treatment or Amended Return (Administrative Adjustment Request (AAR))

(Section references are to the Internal Revenue Code unless otherwise noted.)

### General Instructions Paperwork Reduction Act Notice

We ask for this information to carry out the Internal Revenue laws of the United States. We need it to ensure that taxpayers are complying with these laws and to allow us to figure and collect the right amount of tax. You are required to give us this information.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

- Recordkeeping** . . . . . 4 hrs., 18 min.
- Learning about the law or the form** . . . . . 24 min.
- Preparing and sending the form to IRS** . . . . . 29 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form more simple, we would be happy to hear from you. You can write to both IRS and the Office of Management and Budget at the addresses listed in the instructions for the tax return with which this form is filed.

### Purpose of Form

**Note:** The words "*passthrough entity*" are used in these instructions to mean partnership, S corporation, or REMIC (real estate mortgage investment conduit). The word "*item*" is used in these instructions to mean partnership, S corporation, or REMIC item.

If you are a partner, S corporation shareholder, or the holder of a residual interest in a REMIC, you generally must report items consistent with the way they were reported to you by the partnership or S corporation on Schedule K-1 or by the REMIC on Schedule Q. However, there may be reasons why you wish to report these items differently.

Use Form 8082 to notify the IRS of any such inconsistency between your tax treatment of an item, and the way the passthrough entity treated and reported the same item on its return. Also use the form to notify the IRS if you did not receive Schedule K-1 from the partnership or S corporation or Schedule Q from the REMIC by the due date for filing your return (including extensions).

Form 8082 is also used to make an administrative adjustment request (AAR). An AAR is either:

1. an amended return filed with Form 8082 by the tax matters partner or tax matters person (TMP) to correct items on the original partnership, S corporation, or REMIC return; or
2. an amended return filed with Form 8082 by a partner, shareholder, or residual holder.

### Who Must File

**Note:** All references to Schedule K-1 and Schedule Q in the following instructions also refer to any "similar statement" you may have received from the passthrough entity as a substitute for Schedule K-1 or Schedule Q.

Generally, file Form 8082 if **any one** of the following applies:

**a. Schedule K-1 or Schedule Q is incorrect.** You believe an item was not properly reported on the Schedule K-1 (including any attached schedule) you received from the partnership or S corporation or the Schedule Q you received from the REMIC. The same is true if you believe an item shown on your Schedule K-1 (Schedule Q) is incorrect but it is not an item that otherwise has to be reported on your tax return. For example, if you believe that the percentage shown as your ownership of capital at the end of the year was not properly reflected on Schedule K-1, file Form 8082 to report this, even though you are not otherwise required to report that percentage on your tax return. If you discover this kind of inconsistency after filing your original return, file an amended return to report it. In the space provided on the amended return for writing explanations, write "See attached Form 8082." In this case, no amounts need to be entered on the amended return if the Form 8082 item is the only reason for filing the amended return.

**b. Partnership, S corporation, or REMIC has not filed a tax return or given you a Schedule K-1 or Schedule Q.** The passthrough entity has not filed a tax return or given you a Schedule K-1 (Schedule Q) by the time you are required to file your tax return (including extensions), and there are items you must include on your return.

**c. Administrative Adjustment Requests (AAR).** You are filing Form 8082 as an AAR to adjust passthrough items. This applies to an AAR filed on behalf of a partner, shareholder, or residual holder, or to a TMP filing the AAR on behalf of the passthrough entity.

Generally, you may file an amended return to change items from a passthrough entity at any time that is:

1. within 3 years after the later of:
  - a. the date on which the passthrough entity return for such year is filed, or
  - b. the last day for filing the passthrough entity return for such year (excluding extensions); **and**
2. before a notice of final passthrough entity administrative adjustment for the tax year is mailed to the TMP.

A partnership return (REMIC return) is generally due by the 15th day of the fourth month following the close of the partnership's (REMIC's) tax year.

An S corporation return is generally due by the 15th day of the third month following the close of the S corporation's tax year.

**Caution:** If you do not notify the IRS that you are reporting an item (Part I, line 1, box a) inconsistently, any deficiency (including any late filing or late payment penalties applicable to the deficiency) that results from a computational adjustment to make your amount or treatment of the item consistent with the amount or treatment of the item on the partnership, S corporation, or REMIC's return may be assessed immediately. An inconsistent item can exist on either your original or amended return.

### Exceptions

You do not have to file Form 8082:

**a.** For any amount of loss, deduction, or investment credit that you do not report on your return from Schedule K-1 (Schedule Q) because the amount is otherwise limited by law (such as a loss limited by the at-risk or passive activity rules); OR

**b.** If you are a partner and your partnership has 10 or fewer partners, each of whom is an individual (other than a nonresident alien) or an estate, and each partner's proportionate share of each partnership item is the same as his or her proportionate share of every other item, and an election under section 6231(a)(1)(B)(ii) has not been made (or if made, the election has been revoked) to have the consolidated partnership audit rules apply.

**c.** If you are a shareholder and your S corporation has 5 or fewer shareholders, each of whom is an individual or an estate, and an election

has not been made under Temporary Regulations section 301.6241-1T(c)(2)(v) to have the consolidated audit rules apply.

**d.** If you are a residual holder and your REMIC has 10 or fewer residual holders, each of whom is an individual (other than a nonresident alien) or an estate, and an election under section 6231(a)(1)(B)(ii) has not been made by the REMIC.

## Penalties

If you disregard the requirements for filing Form 8082, you may be subject to the accuracy-related penalty under section 6662 or the fraud penalty under section 6663. Either penalty is in addition to any tax that results from a computational adjustment to make your amount or treatment of the item consistent with the amount or treatment of the item on the passthrough entity's return.

## How Many Forms To Complete

You must complete and file a separate form for each passthrough entity for which you are reporting an inconsistent or AAR item. If you are reporting more than four inconsistent or AAR items from one passthrough entity, use additional Forms 8082.

## How and When To File

If Form 8082 is filed as a notice of inconsistent treatment, complete a single copy of the form, attach it to your tax return and file it when you file your original return.

If Form 8082 is filed as an AAR by the TMP on behalf of the passthrough entity, it must be filed with the service center where the original partnership, S corporation, or REMIC return was filed.

If a partner, shareholder, or residual holder files Form 8082 as an AAR (amended return) it must be filed in duplicate. The original copy is filed with the partner's, shareholder's, or residual holder's amended income tax return and the other copy is filed with the service center where the passthrough entity return is filed.

See the instructions under **Who Must File**, item c, page 1, for information on when Form 8082 must be filed if it is filed as an amended return.

## Specific Instructions

Specific instructions for most of the lines have been provided. Those lines that do not appear in the instructions are self-explanatory.

**Note:** *If the passthrough entity did not file a return or give you a Schedule K-1 (Schedule Q) by the time you are required to file your return, complete Parts I and II to the best of your knowledge.*

If you are unable to complete an item in Part I or Part II, enter "See Part III" in the entry space for that item.

## Part I

**Line 1.**—Check box (a) if either 1 or 2 below applies:

1. You believe an item was not properly reported on the Schedule K-1 (Schedule Q) you received; **or**
2. The passthrough entity has not filed a tax return or given you a Schedule K-1 (Schedule Q) by the time you are required to file your tax return (including extensions).

Check box (b) if you are filing an amended return (AAR) on which you are changing the amount or treatment of any item from the way you reported it on your return, or in the case of a TMP the passthrough entity return as originally filed or as you later amended it.

Check boxes (a) and (b) if you are reporting an item on your amended return (AAR) differently from the way that you reported the item on your original return and inconsistently with the way the passthrough entity reported the item.

**Line 2.**—A substituted return is an amended return in which the TMP requests that the treatment of an item shown on the AAR be substituted for the treatment of the item on the passthrough entity's return.

If you are a TMP filing an AAR as a substituted return, file an amended return (Form 1065, Form 1120S, or Form 1066), but do not enter any amounts on the form itself. Attach Form 8082, check the box on line 2, and identify the amount and treatment of any item you are changing from the way it was reported on the return as originally filed or later amended. The TMP must sign the amended return. On the top margin, enter "See attached Form 8082 for AAR per IRC section 6227(b)(1)."

Attach revised Schedules K-1 (Schedules Q) showing the changes made by the AAR for each partner, shareholder, or residual holder.

**Items 3 through 8.**—Generally, the information for these items can be found on Schedule K-1 (Schedule Q). Skip line 6 if no tax shelter registration number is reported on Schedule K-1 or if you are filing as the holder of a residual interest in a REMIC. The tax year of a REMIC (line 8) always ends on December 31.

## Part II

**Column (a).**—If you received a Schedule K-1 (Schedule Q), enter the line number and description shown on the schedule. Otherwise, enter a complete description of the item.

**Column (b).**—If you believe that the amount of any item shown on Schedule K-1 (Schedule Q) was not properly reported, check "Amount of item."

If you believe that the treatment of any item was not properly reported (for example, a long-term capital loss that a partner thinks should be an ordinary loss) on Schedule K-1 (Schedule Q), check "Treatment of item."

Check both parts of column (b) if **either** 1 or 2 below applies:

1. You believe that both the amount and treatment of the item shown on Schedule K-1 (Schedule Q) were not properly reported, or you believe an item was omitted from Schedule K-1 (Schedule Q); **or**
2. The passthrough entity did not file a return or give you a Schedule K-1 (Schedule Q).

**Note:** *If you check only "Treatment of item," you do not need to complete columns (d) and (e).*

**Column (c).**—If Form 8082 is being attached to your original return, enter the amount as shown on the Schedule K-1 (Schedule Q) you received.

If Form 8082 is being attached to your amended return, enter the amount as shown on your return as originally filed or as you last amended it prior to the current amendment.

If the passthrough entity did not file a return, or if you did not receive a Schedule K-1 (Schedule Q), or if you are reporting items that you believe were omitted from Schedule K-1 (Schedule Q), enter zero in column (c).

## Part III

Explain in detail the reasons you are reporting an inconsistent or amended item as follows:

**a.** If you believe that the amount or treatment of any item shown on Schedule K-1 (Schedule Q) was not properly reported, state how you think the item should be treated and why.

**b.** If the passthrough entity has not filed a tax return by the time you are required to file your tax return, enter as the explanation, "Partnership (S corporation or REMIC) return not filed."

**c.** If the passthrough entity did not give you a Schedule K-1 (Schedule Q) by the time you are required to file your tax return, enter as the explanation "Schedule K-1 (Schedule Q) or similar statement not received."

**d.** If you are filing an amended return (AAR) on which you are changing the amount or treatment of any item on your original return, explain why you are changing the item.

**e.** If you believe an item was omitted from Schedule K-1 (Schedule Q), enter as the explanation "Item was omitted from Schedule K-1 (Schedule Q) or similar statement."