

September 29, 2017

**Tax Year 2017
1065-B MeF ATS Scenario 5
ABC Oil & Gas LP
00-2000005**

FORMS REQUIRED: 1065-B, 1125-A, 4797, Schedule K-1 (F1065-B) (20), Form 8453-B

ATTACHMENTS:

Itemized Other Deductions Schedule
Inventoriable Costs Paid Schedule
Other Current Assets Statement
Income Expenses Recorded On Books Not On Schedule K Statement
Itemized Deductions Not Charged Against Books Statement

BINARY ATTACHMENTS: Scanned Form 8453-B (8453 Signature Document)

HEADER INFO:

Tax Period: Calendar Year 2017

Preparer Firm: Electronic Tax Filers, Inc **00-2000098**
1065 Efile Drive
Anytown, TX 79001

Multiple Software Packages Used: Yes or No

Originator: **EFIN:** Self-select
Type: Self-select
Practitioner PIN: None
PIN Entered by – N/A

Signature Option: Binary Attachment 8453 Signature Document

Return Type: 1065-B

Filer: **EIN:** 00-2000005
Name: ABC Oil and Gas LP
Name Control: ABCO
Address: 28 Oil Rig Rd
Anytown, TX 79001

Partner: **Name:** Jonathan Walker
Title: Chief Executive Officer
Taxpayer PIN: N/A
Phone: 555-555-5555
Email Address: Anymail@email.com
Date Signed: 04/01/2018

Preparer: Name: Jane Doe
 PTIN: P00000006
 Phone: 555-631-1212
 Email Address: Anymail@email.com
 Date Prepared: 04/10/2018
 Self Employed: No

IRS PAYMENT: N/A

Details for attachments to Form

Attachment 1, Form 1065-B, Page 1, Line 23 (Itemized Other Deductions Schedule)

Type	Amount
Survey Costs	\$150,750
Permits	\$27,250
Professional Fees	\$46,140
Bank Fees	\$2,600

Attachment 2, Form 1125-A, Page 1, Line 5 (Inventoriable Costs Paid Schedule)

Type	Amount
Other Costs	\$576,000

Attachment 3, Form 1065-B, Page 5, Schedule L, Line 6 (Schedule L Other Current Assets Statement)

Type	BOY Amount	EOY Amount
Prepaid Insurance	\$260,000	\$280,001
Other	\$1,600,720	\$1,630,110

Attachment 4, Form 1065-B, Page 5, Schedule M-1, Line 4 (Income Expenses Recorded On Books Not On Schedule K Statement)

Professional Fee	\$57,140
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Attachment 5, Form 1065-B, Page 5, Schedule M-1, Line 7 (Itemized Deductions Not Charged Against Books Statement)

Survey Cost	\$74,212
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Form **1065-B**

U.S. Return of Income for Electing Large Partnerships

OMB No. 1545-0123

Department of the Treasury
Internal Revenue Service

For calendar year 2017, or tax year beginning _____, 2017, and ending _____, 20____.
▶ Go to www.irs.gov/Form1065B for instructions and the latest information.

2017

A Principal business activity Mining	TYPE or PRINT	Name of partnership ABC Oil and Gas LP	D Employer identification number 00-2000005
B Principal product or service Oil & Gas		Number, street, and room or suite no. If a P.O. box, see instructions. 28 Oil Rig Rd	E Date business started 11/08/1999
C Business code no. (see instructions) 211110		City or town, state or province, country, and ZIP or foreign postal code Anytown, TX 79001	F Total assets (see instructions) \$ 5,617,088

G Check applicable boxes: (1) Final return (2) Name change (3) Address change (4) 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 ▶ 20

J Check if Schedule M-3 (Form 1065) is attached ▶

Part I Taxable Income or Loss From Passive Loss Limitation Activities

Income	1a Gross receipts or sales	2,512,000	b Less returns and allowances		c Bal ▶	1c	2,512,000
	2 Cost of goods sold (attach Form 1125-A)					2	576,000
	3 Gross profit. Subtract line 2 from line 1c					3	1,936,000
	4 Net rental real estate income (loss) (attach Form 8825)					4	
	5 Net income (loss) from other rental activities (attach statement)					5	
	6 Ordinary income (loss) from other partnerships, estates, and trusts (attach statement)					6	
	7 Net farm profit (loss) (attach Schedule F (Form 1040))					7	
	8 Excess of net short-term capital gain over net long-term capital loss (Schedule D, line 20)					8	
	9 Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)					9	
	10 Other income (loss) (see instructions) (attach statement)					10	
	11 Total income (loss). Combine lines 3 through 10					11	1,936,000
Deductions	12 Salaries and wages (other than to partners) (less employment credits)					12	
	13 Guaranteed payments to partners					13	
	14 Repairs and maintenance					14	224,165
	15 Bad debts					15	
	16 Rent					16	
	17 Taxes and licenses					17	
	18 Interest					18	
	19a Depreciation and section 179 expense deduction (see instructions)	19a				19c	
	b Less: depreciation reported on Form 1125-A and elsewhere on return	19b					
	20 Depletion					20	148,180
	21 Retirement plans, etc.					21	
22 Employee benefit programs					22		
23 Other deductions (attach statement)					23	226,740	
24 Total deductions. Add the amounts shown in the far right column for lines 12 through 23					24	599,085	
25 Taxable income (loss) from passive loss limitation activities. Subtract line 24 from line 11					25	1,336,915	
Tax and Payments	26 Tax (see instructions). Check if from: a <input type="checkbox"/> Form 4255 b <input type="checkbox"/> Form 8611					26	
	27 Other payments. Check if from: a <input type="checkbox"/> Form 2439 b <input type="checkbox"/> Form 4136					27	
	28 Amount owed. Enter the excess of line 26 over line 27					28	
	29 Overpayment. Enter the excess of line 27 over line 26					29	

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 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 P0000005
	Firm's name ▶ Electronic Tax Filers INC			Firm's EIN ▶	69-0000098
	Firm's address ▶ 1065 e-File Dr. Anytown, TX 79001			Phone no.	(555) 631-1212

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 26265H

Form **1065-B** (2017)

Part II Taxable Income or Loss From Other Activities

1	Interest		1	550
2a	Total ordinary dividends	2a		
b	Qualified dividends	2b		
c	Nonqualified dividends (subtract line 2b from 2a)		2c	
3	Gross royalties		3	
4	Excess of net short-term capital gain over net long-term capital loss (Schedule D, line 23)		4	
5	Other income (loss) (see instructions) (attach statement)		5	
6	Total income (loss). Add lines 1, 2c, 3, 4, and 5		6	550
7	Interest expense on investment debts (attach Form 4952)		7	
8	State and local income taxes (see instructions)		8	
9	Charitable contributions (see instructions for limitations and required attachment)		9	
10a	Total miscellaneous itemized deductions	10a		
b	Deductible amount. Multiply line 10a by 30% (0.30)		10b	
11	Other deductions (attach statement)		11	
12	Total deductions. Add lines 7, 8, 9, 10b, and 11		12	
13	Taxable income (loss) from other activities. Subtract line 12 from line 6		13	550

Schedule B Other Information (see instructions)

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input type="checkbox"/> Domestic general partnership		
b <input checked="" type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶ _____		
2 Are any partners in this partnership also partnerships?		✓
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," see instructions for required attachment		✓
4 Does this partnership have any foreign partners? If "Yes," the partnership may have to file Forms 8804, 8805, and 8813. (See instructions.)		✓
5 Is this partnership a publicly traded partnership as defined in section 469(k)(2)?		✓
6 Has this partnership filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?		✓
7 At any time during calendar year 2017, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). If "Yes," enter the name of the foreign country. ▶ _____		✓
8 During the tax year, did the partnership receive a distribution from, or was it the grantor to, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520		
9 Enter the number of Forms 8865 , Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return. ▶ _____		
10 During the partnership's tax year, did the partnership make any payments that would require it to file Forms 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474)?		✓

Schedule D Capital Gains and Losses (Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.)

Part I—Short-Term Capital Gains and Losses—Assets Held One Year or Less

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)
See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.				
1a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b				
1b Totals for all transactions reported on Form(s) 8949 with Box A checked				
2 Totals for all transactions reported on Form(s) 8949 with Box B checked				
3 Totals for all transactions reported on Form(s) 8949 with Box C checked				
4 Short-term capital gain from installment sales from Form 6252, line 26 or 37				4
5 Short-term capital gain or (loss) from like-kind exchanges from Form 8824				5
6 Partnership's share of net short-term capital gain (loss) from other partnerships, estates, and trusts				6
7 Net short-term capital gain or (loss). Combine lines 1a through 6 in column (h)				7

Part II—Long-Term Capital Gains and Losses—Assets Held More Than One Year

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)
See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.				
8a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b				
8b Totals for all transactions reported on Form(s) 8949 with Box D checked				
9 Totals for all transactions reported on Form(s) 8949 with Box E checked				
10 Totals for all transactions reported on Form(s) 8949 with Box F checked				
11 Enter gain from Form 4797, Part I				11 2,500
12 Long-term capital gain from installment sales from Form 6252, line 26 or 37				12
13 Long-term capital gain or (loss) from like-kind exchanges from Form 8824				13
14 Partnership's share of net long-term capital gain (loss) from other partnerships, estates, and trusts				14
15 Net long-term capital gain or (loss). Combine lines 8a through 14 in column (h)				15 2,500

Part III—Summary of Parts I and II

16 Combine lines 7 and 15 and enter the net gain (loss)	16	2,500
17 Enter excess of net short-term capital gain (line 7) over net long-term capital loss (line 15)	17	
18 Net capital gain or (loss). Subtract line 17 from line 16	18	2,500

Part IV—Net Capital Gain (Loss) From Passive Loss Limitation Activities

19 Redetermine the amount on line 17 by taking into account only gains and losses from passive loss limitation activities	19	
20 Excess of net short-term capital gain over net long-term capital loss. Enter the smaller of the amount on line 17 or line 19. Enter here and on page 1, Part I, line 8	20	
21 Redetermine the amount on line 18 by taking into account only gains and losses from passive loss limitation activities	21	
22 Net capital gain or (loss) from passive loss limitation activities. If lines 18 and 21 are both positive or both negative, enter the smaller of line 18 or line 21. Otherwise, enter -0-. Enter here and on Schedule K, line 4a	22	

Note: When figuring whether line 18 or line 21 is **smaller**, treat both numbers as positive.

Part V—Net Capital Gain (Loss) From Other Activities

23 Excess of net short-term capital gain over net long-term capital loss. Subtract line 20 from line 17. Enter here and on page 2, Part II, line 4	23	
24 Net capital gain or (loss) from other activities. Subtract line 22 from line 18. Enter here and on Schedule K, line 4b	24	2,500

Schedule K Partners' Shares of Income, Credits, Deductions, etc.

(a) Distributive share items				(b) Total amount	
1a	Taxable income (loss) from passive loss limitation activities (Part I, line 25)			1a	1,336,915
b	Amount on line 1a allocated to general partners as:				
	(1)	Taxable income (loss) from trade or business activities	668,458		
	(2)	Taxable income (loss) from rental real estate activities			
	(3)	Taxable income (loss) from other rental activities			
c	Total amount on line 1a allocated to general partners. Combine lines 1b(1) through 1b(3)			1c	668,458
d	Taxable income (loss) from passive loss limitation activities allocated to limited partners. Subtract line 1c from line 1a (report on Schedules K-1, box 1)			1d	668,457
2	Taxable income (loss) from other activities (Part II, line 13)			2	550
3	Qualified dividends from other activities (Part II, line 2b)			3	
4a	Net capital gain (loss) from passive loss limitation activities (Schedule D, line 22)			4a	
b	Net capital gain (loss) from other activities (Schedule D, line 24)			4b	2,500
5	Net passive alternative minimum tax adjustment			5	
6	Net other alternative minimum tax adjustment			6	
7	Guaranteed payments			7	
8	Income from discharge of indebtedness			8	
9	Tax-exempt interest income			9	
10	General credits (see instructions)			10	
11	Low-income housing credit (see instructions)			11	
12	Rehabilitation credit from rental real estate activities (attach Form 3468, if applicable)			12	
13a	Net earnings (loss) from self-employment			13a	668,458
b	Gross nonfarm income			13b	668,458
14a	Name of foreign country or U.S. possession ▶				
b	Gross income from all sources			14b	
c	Gross income sourced at partner level (attach statement)			14c	
d	Foreign gross income sourced at partnership level:				
	(1)	Passive category		14d(1)	
	(2)	General category		14d(2)	
	(3)	Other (attach statement)		14d(3)	
e	Deductions allocated and apportioned at partner level:				
	(1)	Interest expense		14e(1)	
	(2)	Other		14e(2)	
f	Deductions allocated and apportioned at partnership level to foreign source income:				
	(1)	Passive category		14f(1)	
	(2)	General category		14f(2)	
	(3)	Other (attach statement)		14f(3)	
g	Total foreign taxes (check one): ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>			14g	
h	Reduction in taxes available for credit (attach statement)			14h	
15	Other items and amounts required to be reported separately to partners (attach statement)				

Analysis of Net Income (Loss)

1	Net income (loss). In column (b), add lines 1c through 4b, 7, and 8. From the result, subtract line 14g						1	1,339,965
2	Analysis by partner type:							
	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other		
a	General partners							
		669,982						
b	Limited partners							
			669,983					

Schedule L Balance Sheets per Books

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash		565,010		1,090,037
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (attach statement)		1,860,720		1,910,111
7a Loans to partners (or persons related to partners)				
b Mortgage and real estate loans				
8 Other investments (attach statement)				
9a Buildings and other depreciable assets				
b Less accumulated depreciation				
10a Depletable assets	3,140,260		3,140,260	
b Less accumulated depletion	375,140	2,765,120	523,320	2,616,940
11 Land (net of any amortization)		10,000		
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (attach statement)				
14 Total assets		5,200,850		5,617,088
Liabilities and Capital				
15 Accounts payable		470,588		205,366
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach statement)				
18 All nonrecourse loans		2,254,137		1,205,380
19a Loans from partners (or persons related to partners)				
b Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach statement)				
21 Partners' capital accounts		2,476,125		4,206,342
22 Total liabilities and capital		5,200,850		5,617,088

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note: The partnership may be required to file Schedule M-3 (see instructions).

1 Net income (loss) per books	1,357,037	6 Income recorded on books this year not included on Schedule K, lines 1c through 4b, and 8 (itemize):	
2 Income included on Schedule K, lines 1c through 4b, and 8, not recorded on books this year (itemize):		a Tax-exempt interest \$	
3 Guaranteed payments			
4 Expenses recorded on books this year not included on Schedule K, lines 1c through 4b, and 14g (itemize):		7 Deductions included on Schedule K, lines 1c through 4b, and 14g, not charged against book income this year (itemize):	
a Depreciation \$		a Depreciation \$	
b Travel and entertainment \$			
			74,212
	57,140	8 Add lines 6 and 7	74,212
5 Add lines 1 through 4	1,414,177	9 Income (loss). (Analysis of Net Income (Loss), line 1.) Subtract line 8 from line 5	1,339,965

Schedule M-2 Analysis of Partners' Capital Accounts

1 Balance at beginning of year	2,476,125	6 Distributions:	a Cash	
2 Capital contributed:			b Property	
a Cash	373,180			
b Property		7 Other decreases (itemize):		
3 Net income (loss) per books	1,357,037			
4 Other increases (itemize):		8 Add lines 6 and 7		0
		9 Balance at end of year. Subtract line 8 from line 5		4,206,342
5 Add lines 1 through 4	4,206,342			

(Rev. October 2016)
Department of the Treasury
Internal Revenue Service

▶ **Attach to Form 1120, 1120-C, 1120-F, 1120S, 1065, or 1065-B.**
▶ **Information about Form 1125-A and its instructions is at www.irs.gov/form1125a.**

Name ABC Oil and Gas LP		Employer identification number 00-2000005
1	Inventory at beginning of year	1
2	Purchases	2
3	Cost of labor	3
4	Additional section 263A costs (attach schedule)	4
5	Other costs (attach schedule)	5 576,000
6	Total. Add lines 1 through 5	6 576,000
7	Inventory at end of year	7
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return. See instructions	8 576,000
9a	Check all methods used for valuing closing inventory: (i) <input type="checkbox"/> Cost (ii) <input type="checkbox"/> Lower of cost or market (iii) <input type="checkbox"/> Other (Specify method used and attach explanation.) ▶	
b	Check if there was a writedown of subnormal goods	<input type="checkbox"/>
c	Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)	<input type="checkbox"/>
d	If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO	9d
e	If property is produced or acquired for resale, do the rules of section 263A apply to the entity? See instructions	<input type="checkbox"/> Yes <input type="checkbox"/> No
f	Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation	<input type="checkbox"/> Yes <input type="checkbox"/> No

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

General Instructions

Purpose of Form

Use Form 1125-A to calculate and deduct cost of goods sold for certain entities.

Who Must File

Filers of Form 1120, 1120-C, 1120-F, 1120S, 1065, or 1065-B, must complete and attach Form 1125-A if the applicable entity reports a deduction for cost of goods sold.

Inventories

Generally, inventories are required at the beginning and end of each tax year if the production, purchase, or sale of merchandise is an income-producing factor. See Regulations section 1.471-1. If inventories are required, you generally must use an accrual method of accounting for sales and purchases of inventory items.

Exception for certain taxpayers. If you are a qualifying taxpayer or a qualifying small business taxpayer (defined below), you can adopt or change your accounting method to account for inventoriable items in the same manner as materials and supplies that are not incidental.

Under this accounting method, inventory costs for raw materials purchased for use in producing finished goods and merchandise purchased for resale are deductible in the year the finished goods or merchandise are sold (but not before the year you paid for the raw materials or merchandise, if you are also using the cash method).

If you account for inventoriable items in the same manner as materials and supplies that are not incidental, you can currently deduct expenditures for direct labor and all indirect costs that would otherwise be included in inventory costs. See the instructions for lines 2 and 7.

For additional guidance on this method of accounting, see Pub. 538, Accounting Periods and Methods. For guidance on adopting or changing to this method of accounting, see Form 3115, Application for Change in Accounting Method, and its instructions.

Qualifying taxpayer. A qualifying taxpayer is a taxpayer that, (a) for each prior tax year ending after December 31, 1998, has average annual gross receipts of \$1 million or less for the 3 prior tax years, and (b) its business is not a tax shelter (as defined in section 448(d)(3)). See Rev. Proc. 2001-10, 2001-2 I.R.B. 272.

Qualifying small business taxpayer. A qualifying small business taxpayer is a taxpayer that, (a) for each prior tax year

ending on or after December 31, 2000, has average annual gross receipts of \$10 million or less for the 3 prior tax years, (b) whose principal business activity is not an ineligible activity, and (c) whose business is not a tax shelter (as defined in section 448(d)(3)). See Rev. Proc. 2002-28, 2002-18 I.R.B. 815.

Uniform capitalization rules. The uniform capitalization rules of section 263A generally require you to capitalize, or include in inventory, certain costs incurred in connection with the following.

- The production of real property and tangible personal property held in inventory or held for sale in the ordinary course of business.
- Real property or personal property (tangible and intangible) acquired for resale.
- The production of real property and tangible personal property by a corporation for use in its trade or business or in an activity engaged in for profit.

See the discussion on section 263A uniform capitalization rules in the instructions for your tax return before completing Form 1125-A. Also see Regulations sections 1.263A-1 through 1.263A-3. See Regulations section 1.263A-4 for rules for property produced in a farming business.

Sales of Business Property
(Also Involuntary Conversions and Recapture Amounts Under Sections 179 and 280F(b)(2))

Department of the Treasury
Internal Revenue Service

▶ **Attach to your tax return.**
▶ **Go to www.irs.gov/Form4797 for instructions and the latest information.**

Attachment
Sequence No. **27**

Name(s) shown on return ABC Oil and Gas LP	Identifying number 00-0000005
---	----------------------------------

1 Enter the gross proceeds from sales or exchanges reported to you for 2017 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20. See instructions **1**

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft—Most Property Held More Than 1 Year (see instructions)

2	(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)
	Land	07/01/2000	06/30/2017	12,500		10,000	2,500

3 Gain, if any, from Form 4684, line 39 **3**

4 Section 1231 gain from installment sales from Form 6252, line 26 or 37 **4**

5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824 **5**

6 Gain, if any, from line 32, from other than casualty or theft **6**

7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows: **7** 2,500

Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.

Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you didn't have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.

8 Nonrecaptured net section 1231 losses from prior years. See instructions **8**

9 Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return. See instructions **9**

Part II Ordinary Gains and Losses (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):

11 Loss, if any, from line 7 **11** ()

12 Gain, if any, from line 7 or amount from line 8, if applicable **12**

13 Gain, if any, from line 31 **13**

14 Net gain or (loss) from Form 4684, lines 31 and 38a **14**

15 Ordinary gain from installment sales from Form 6252, line 25 or 36 **15**

16 Ordinary gain or (loss) from like-kind exchanges from Form 8824. **16**

17 Combine lines 10 through 16 **17**

18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below:

a If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23. Identify as from "Form 4797, line 18a." See instructions **18a**

b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14 **18b**

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255
(see instructions)

19 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:		(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)		
A					
B					
C					
D					
These columns relate to the properties on lines 19A through 19D. ▶		Property A	Property B	Property C	Property D
20	Gross sales price (Note: See line 1 before completing.)	20			
21	Cost or other basis plus expense of sale	21			
22	Depreciation (or depletion) allowed or allowable	22			
23	Adjusted basis. Subtract line 22 from line 21.	23			
24	Total gain. Subtract line 23 from line 20	24			
25 If section 1245 property:					
a	Depreciation allowed or allowable from line 22	25a			
b	Enter the smaller of line 24 or 25a	25b			
26 If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.					
a	Additional depreciation after 1975. See instructions	26a			
b	Applicable percentage multiplied by the smaller of line 24 or line 26a. See instructions	26b			
c	Subtract line 26a from line 24. If residential rental property or line 24 isn't more than line 26a, skip lines 26d and 26e	26c			
d	Additional depreciation after 1969 and before 1976.	26d			
e	Enter the smaller of line 26c or 26d	26e			
f	Section 291 amount (corporations only)	26f			
g	Add lines 26b, 26e, and 26f.	26g			
27 If section 1252 property: Skip this section if you didn't dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership).					
a	Soil, water, and land clearing expenses	27a			
b	Line 27a multiplied by applicable percentage. See instructions	27b			
c	Enter the smaller of line 24 or 27b	27c			
28 If section 1254 property:					
a	Intangible drilling and development costs, expenditures for development of mines and other natural deposits, mining exploration costs, and depletion. See instructions	28a			
b	Enter the smaller of line 24 or 28a	28b			
29 If section 1255 property:					
a	Applicable percentage of payments excluded from income under section 126. See instructions	29a			
b	Enter the smaller of line 24 or 29a. See instructions	29b			

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.

30	Total gains for all properties. Add property columns A through D, line 24	30	
31	Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13	31	
32	Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6	32	

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less
(see instructions)

		(a) Section 179	(b) Section 280F(b)(2)
33	Section 179 expense deduction or depreciation allowable in prior years.	33	
34	Recomputed depreciation. See instructions	34	
35	Recapture amount. Subtract line 34 from line 33. See the instructions for where to report	35	

CORRECTED

PUBLICLY TRADED PARTNERSHIP

PARTNERSHIP'S name, street address, city, state, and ZIP code. ABC Oil and Gas LP 28 Oil Rig Rd Anytown, TX 79001	1 Taxable income (loss) from passive activities 13,370	OMB No. 1545-0123 2017 Schedule K-1 (Form 1065-B)
	2 Taxable income (loss) from other activities 6	

Partner's Share of Income (Loss) From an Electing Large Partnership

PARTNERSHIP'S Employer I.D. number 00-2000005	PARTNER'S identifying number 000-50-0001	3 Qualified dividends	
PARTNER'S name Jonathan Walker		4a Net capital gain (loss) from passive activities	4b Net capital gain (loss) from other activities 25
Street address (including apt. no.) 1657 E Forks Rd		5 Net passive AMT adjustment	6 Net other AMT adjustment
		7 General credits	8 Low-income housing credit
City, state, and ZIP code Bay Shore, NY 11706		9 Other J1 13,370 J2 13,370	
	Partner's share of liabilities:		
a Nonrecourse \$	12,554		
b Qualified nonrecourse financing \$			
c Other \$			

Copy A

For Internal Revenue Service Center

File with Form 1065-B.

For Paperwork Reduction Act Notice and instructions for completing this form, see the **2017 Instructions for Form 1065-B**, U.S. Return of Income for Electing Large Partnerships.

Schedule K-1 (Form 1065-B)

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CORRECTED

PUBLICLY TRADED PARTNERSHIP

PARTNERSHIP'S name, street address, city, state, and ZIP code. ABC Oil and Gas LP 28 Oil Rig Rd Anytown, TX 79001		1 Taxable income (loss) from passive activities 13,370	OMB No. 1545-0123 2017 Schedule K-1 (Form 1065-B)
PARTNERSHIP'S Employer I.D. number 00-2000005	PARTNER'S identifying number 000-50-0002	2 Taxable income (loss) from other activities 6	3 Qualified dividends
PARTNER'S name Julius Caesar Walker		4a Net capital gain (loss) from passive activities	4b Net capital gain (loss) from other activities 25
Street address (including apt. no.) 1657 E Forks Rd		5 Net passive AMT adjustment	6 Net other AMT adjustment
City, state, and ZIP code Bay Shore, NY 11706		7 General credits	8 Low-income housing credit
Partner's share of liabilities:		9 Other	
a Nonrecourse \$ 12,054			
b Qualified nonrecourse financing \$			
c Other \$			

Partner's Share of Income (Loss) From an Electing Large Partnership

Copy A

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File with Form 1065-B.

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Schedule K-1 (Form 1065-B)

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