

Tax Year 2023
Form 1065 MeF ATS Scenario 3

FORMS REQUIRED:

1065, 1065 Sch B-1, 1065 Sch C, 1065 Sch D, 1065 Sch K-1 (3), 1065 Sch M-3, 1125-A, 4562, 4797, 8308, 8949, 8453-PE

ATTACHMENTS:

OtherIncomeLossStatement
ItemizedOtherDeductionsStatement
Section754Election
PartnershipsCharitableContributionsStatement
OtherAMTItemsStatement
ScheduleLOtherCurrentAssetsStatement
ScheduleLOtherAssetsStatement
ScheduleLOtherCurrentLiabilitiesStatement
ItemizedAdditionalSection263ACostsSchedule
InventoriableCostsPaidSchedule

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

HEADER INFO:

Tax Period: Calendar Year 2023

Preparer Firm: **EIN:** 69-0000098
Name: Electronic Tax Filers, Inc
Address: 1065 Efile Drive
Anytown, NV 89501

Multiple Software Packages Used: Yes or No

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

Signature Option: Binary Attachment 8453 Signature Document

Return Identifier: **Type:** 1065

Filer: **EIN:** 00-2000003
Business Name: Eastland Quarries
Name Control: EAST
Address: 2313 Jackson Ave
Portland, OR 97208

Partner: **Name:** Jonathan Teak
Title: President
Taxpayer PIN:
Officer TIN: 000-00-0456
Phone: 555-555-5555
Email Address: Anymail@email.com
Date Signed: 03/15/2024

Prior Year Income Amount: 1,000,050

Responsible Party Current: Yes

Preparer: **Name:** John Smith
PTIN: P00000001
Phone: 555-631-1212
Email Address: Anymail@email.com
Date Prepared: 03/15/2024
Self Employed: No

OtherIncomeLossStatement (Other income (loss), Form 1065, Page 1, Line 7)

| Type | Amount |
|---------------|---------------|
| Miscellaneous | 36,522 |
| Total | 36,522 |

ItemizedOtherDeductionsStatement (Other Deductions, Form 1065, Page 1, Line 21)

| Type | Amount |
|-------------------|------------------|
| Amortization | 441,634 |
| Insurance | 75,606 |
| Professional Fees | 583,204 |
| Miscellaneous | 359,235 |
| Total | 1,459,679 |

Section754Election (Form 1065, Page 3, Schedule B, Line 10a)

| | |
|--------------------------------|--|
| Name of Partnership | Eastland Quarries |
| Partnership Address | 2313 Jackson Ave Portland, OR 97208 |
| Section 754 Declaration | Made a Section 754 declaration |

PartnershipsCharitableContributionsStatement
(Contributions, Form 1065, Page 5, Schedule K, Line 13a)

| Type | Amount |
|-----------------------|--------|
| 50% Cash Contribution | 3,000 |

OtherAMTItemsStatement (Other AMT items, Form 1065, Page 5, Schedule K, Line 17f)

| | |
|------------------|----------------------------|
| Statement | Other AMT Items = (22,101) |
|------------------|----------------------------|

ScheduleLOtherCurrentAssetsStatement
(Other current assets, Form 1065, Page 6, Schedule L, Line 6(b) and 6(d))

| Type | BOY Amount | EOY Amount |
|-------------------|----------------|----------------|
| Prepaid Insurance | 105,000 | 105,000 |
| Deposit | 45,000 | 20,000 |
| Total | 150,000 | 125,000 |

ScheduleLOtherAssetsStatement (Other assets, Form 1065, Page 6, Schedule L, Line 13(b) and 13(d))

| Type | BOY Amount | EOY Amount |
|--------------|----------------|----------------|
| Other Assets | 387,000 | 411,000 |
| Total | 387,000 | 411,000 |

Schedule L Other Current Liabilities Statement

(Other current liabilities, Form 1065, Page 6, Schedule L, Line 17(b) and 17(d))

| Description | BOY Amount | EOY Amount |
|------------------------|-------------------|-------------------|
| Accrued Payroll | 793,542 | 801,250 |
| Accrued Profit Sharing | 377,622 | 496,135 |
| Miscellaneous | 3,000,000 | 375,262 |
| Total | 4,171,164 | 1,672,647 |

Itemized Additional Section 263A Costs Schedule (Additional section 263A costs, Form 1125-A, Line 4)

| Corporation Name | Corporation EIN | Type of Additional Section 263A Costs | Amount for Cost by Type | Historic Ratio (If Applicable) |
|-------------------------|------------------------|--|--------------------------------|---------------------------------------|
| | | Rent | 50,000 | |
| | | Utilities | 24,212 | |
| | | Total | 74,212 | |

Inventoriable Costs Paid Schedule (Other costs, Form 1125-A, Line 5)

| Type | Amount |
|-------------------|------------------|
| Professional Fees | 19,360 |
| Utilities | 1,321,610 |
| Miscellaneous | 225,142 |
| Depreciation | 1,552,633 |
| Total | 3,118,745 |

U.S. Return of Partnership Income

Department of the Treasury Internal Revenue Service

For calendar year 2023, or tax year beginning _____, 2023, ending _____, 20_____

2023

Go to www.irs.gov/Form1065 for instructions and the latest information.

Table with 4 columns: A Principal business activity (QUARRIES), B Principal product or service (CRUSHED STONE), C Business code number (212310), D Employer identification number (00-2000003), E Date business started (3/29/2002), F Total assets (\$ 26,119,810). Includes fields for Name of partnership (EASTLAND QUARRIES), Address (2313 JACKSON AVE), and City (PORTLAND OR 97208).

- G Check applicable boxes: (1) Initial return, (2) Final return, (3) Name change, (4) Address change, (5) Amended return.
H Check accounting method: (1) Cash, (2) Accrual, (3) Other.
I Number of Schedules K-1.
J Check if Schedules C and M-3 are attached.
K Check if partnership: (1) Aggregated activities, (2) Grouped activities.

Caution: Include only trade or business income and expenses on lines 1a through 23 below. See instructions for more information.

Main table with 3 columns: Description, Amount, and Total. Rows include Income (1a-8), Deductions (9-22), and Tax and Payment (23-32). Total ordinary business income (loss) is 1,336,480.

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.

Sign Here

Signature of partner or limited liability company member: JOHN SMITH, Date: 3/15/2023

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

Paid Preparer Use Only

Table for paid preparer information: Print/Type preparer's name (JOHN SMITH), Preparer's signature, Date (3/15/2023), Check self-employed, PTIN (P0000001), Firm's name (ELECTRONIC TAX FILERS INC), Firm's EIN (69-0000098), Firm's address (1065 EFILE DRIVE ANYTOWN NV 89501), Phone no. (555-631-1212).

Schedule B Other Information

1 What type of entity is filing this return? Check the applicable box:
a Domestic general partnership
b Domestic limited partnership
c Domestic limited liability company
d Domestic limited liability partnership
e Foreign partnership
f Other:

2 At the end of the tax year:
a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization, or any foreign government own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership?
b Did any individual or estate own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership?

3 At the end of the tax year, did the partnership:
a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below

Table with 4 columns: (i) Name of Corporation, (ii) Employer Identification Number (if any), (iii) Country of Incorporation, (iv) Percentage Owned in Voting Stock

b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below

Table with 5 columns: (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

4 Does the partnership satisfy all four of the following conditions?
a The partnership's total receipts for the tax year were less than \$250,000.
b The partnership's total assets at the end of the tax year were less than \$1 million.
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.
d The partnership is not filing and is not required to file Schedule M-3

5 Is this partnership a publicly traded partnership, as defined in section 469(k)(2)?

6 During the tax year, did the partnership have any debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?

7 Has this partnership filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?

8 At any time during calendar year 2023, 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

9 At any time during the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. See instructions

10a Is the partnership making, or had it previously made (and not revoked), a section 754 election? If "Yes," enter the effective date of the election
See instructions for details regarding a section 754 election.

b For this tax year, did the partnership make an optional basis adjustment under section 743(b)? If "Yes," enter the total aggregate net positive amount \$ and the total aggregate net negative amount \$ () of such section 743(b) adjustments for all partners made in the tax year. The partnership must also attach a statement showing the computation and allocation of each basis adjustment. See instructions

| Schedule B Other Information (continued) | | Yes | No |
|---|---|------------|-----------|
| c | For this tax year, did the partnership make an optional basis adjustment under section 734(b)? If "Yes," enter the total aggregate net positive amount \$ _____ and the total aggregate net negative amount \$ (_____) of such section 734(b) adjustments for all partnership property made in the tax year. The partnership must also attach a statement showing the computation and allocation of each basis adjustment. See instructions | | ✓ |
| d | For this tax year, is the partnership required to adjust the basis of partnership property under section 743(b) or 734(b) because of a substantial built-in loss (as defined under section 743(d)) or substantial basis reduction (as defined under section 734(d))? If "Yes," enter the total aggregate amount of such section 743(b) adjustments and/or section 734(b) adjustments for all partners and/or partnership property made in the tax year \$ _____. The partnership must also attach a statement showing the computation and allocation of the basis adjustment. See instructions | | ✓ |
| 11 | Check this box if, during the current or prior tax year, the partnership distributed any property received in a like-kind exchange or contributed such property to another entity (other than disregarded entities wholly owned by the partnership throughout the tax year) <input type="checkbox"/> | | |
| 12 | At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in partnership property? | | ✓ |
| 13 | If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect to Foreign Disregarded Entities (FDEs) and Foreign Branches (FBs), enter the number of Forms 8858 attached. See instructions | | |
| 14 | Does the partnership have any foreign partners? If "Yes," enter the number of Forms 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, filed for this partnership | | ✓ |
| 15 | Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return | | |
| 16a | Did you make any payments in 2023 that would require you to file Form(s) 1099? See instructions | | ✓ |
| b | If "Yes," did you or will you file required Form(s) 1099? | | |
| 17 | Enter the number of Forms 5471, Information Return of U.S. Persons With Respect to Certain Foreign Corporations, attached to this return | | |
| 18 | Enter the number of partners that are foreign governments under section 892 | | |
| 19 | 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)? | | ✓ |
| 20 | Was the partnership a specified domestic entity required to file Form 8938 for the tax year? See the Instructions for Form 8938 | | ✓ |
| 21 | Is the partnership a section 721(c) partnership, as defined in Regulations section 1.721(c)-1(b)(14)? | | ✓ |
| 22 | During the tax year, did the partnership pay or accrue any interest or royalty for which one or more partners are not allowed a deduction under section 267A? See instructions If "Yes," enter the total amount of the disallowed deductions \$ _____ | | ✓ |
| 23 | Did the partnership have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? See instructions | | ✓ |
| 24 | Does the partnership satisfy one or more of the following? See instructions a The partnership owns a pass-through entity with current, or prior year carryover, excess business interest expense. b The partnership's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year are more than \$29 million and the partnership has business interest expense. c The partnership is a tax shelter (see instructions) and the partnership has business interest expense. If "Yes" to any, complete and attach Form 8990. | | ✓ |
| 25 | Is the partnership attaching Form 8996 to certify as a Qualified Opportunity Fund? If "Yes," enter the amount from Form 8996, line 15 \$ _____ | | ✓ |
| 26 | Enter the number of foreign partners subject to section 864(c)(8) as a result of transferring all or a portion of an interest in the partnership or of receiving a distribution from the partnership Complete Schedule K-3 (Form 1065), Part XIII, for each foreign partner subject to section 864(c)(8) on a transfer or distribution. | | |
| 27 | At any time during the tax year, were there any transfers between the partnership and its partners subject to the disclosure requirements of Regulations section 1.707-8? | | ✓ |
| 28 | Since December 22, 2017, did a foreign corporation directly or indirectly acquire substantially all of the properties constituting a trade or business of your partnership, and was the ownership percentage (by vote or value) for purposes of section 7874 greater than 50% (for example, the partners held more than 50% of the stock of the foreign corporation)? If "Yes," list the ownership percentage by vote and by value. See instructions. Percentage: _____ By vote: _____ By value: _____ | | ✓ |
| 29 | Is the partnership required to file Form 7208 relating to the excise tax on repurchase of corporate stock (see instructions): a Under the applicable foreign corporation rules? | | ✓ |

| Schedule B Other Information <i>(continued)</i> | | Yes | No |
|--|--|-----|----|
| b | Under the covered surrogate foreign corporation rules? If "Yes" to either (a) or (b), complete Form 7208, Excise Tax on Repurchase of Corporate Stock. See the Instructions for Form 7208. | | ✓ |
| 30 | At any time during this tax year, did the partnership (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or financial interest in a digital asset)? See instructions | | ✓ |
| 31 | Is the partnership electing out of the centralized partnership audit regime under section 6221(b)? See instructions If "Yes," the partnership must complete Schedule B-2 (Form 1065). Enter the total from Schedule B-2, Part III, line 3 If "No," complete Designation of Partnership Representative below. | | ✓ |

Designation of Partnership Representative (see instructions)

Enter below the information for the partnership representative (PR) for the tax year covered by this return.

| | | |
|--------------------|-----------------------------------|---|
| Name of PR | JONATHAN TEAK | |
| U.S. address of PR | 48 ADAMS AVE PORTLAND OR 97208 | U.S. phone number of PR 555-123-0003 |

If the PR is an entity, name of the designated individual for the PR

| | |
|---------------------------------------|--|
| U.S. address of designated individual | U.S. phone number of designated individual |
|---------------------------------------|--|

TREASURY/IRS
DO NOT USE
ONLY DRAFT
June 23, 2023
DO NOT FILE

| Schedule K Partners' Distributive Share Items | | Total amount | |
|---|--|---------------------|-----------|
| Income (Loss) | 1 Ordinary business income (loss) (page 1, line 23) | 1 | 1,336,480 |
| | 2 Net rental real estate income (loss) (attach Form 8825) | 2 | |
| | 3a Other gross rental income (loss) | 3a | |
| | b Expenses from other rental activities (attach statement) | 3b | |
| | c Other net rental income (loss). Subtract line 3b from line 3a | 3c | |
| | 4 Guaranteed payments: a Services 4a b Capital 4b | 4c | |
| | c Total. Add lines 4a and 4b | 4c | |
| | 5 Interest income | 5 | 14,225 |
| | 6 Dividends and dividend equivalents: a Ordinary dividends 6a | 6a | |
| | b Qualified dividends 6b c Dividend equivalents 6c | 6c | |
| | 7 Royalties | 7 | |
| 8 Net short-term capital gain (loss) (attach Schedule D (Form 1065)) | 8 | 2,300 | |
| 9a Net long-term capital gain (loss) (attach Schedule D (Form 1065)) | 9a | (2,500) | |
| b Collectibles (28%) gain (loss) | 9b | | |
| c Unrecaptured section 1250 gain (attach statement) | 9c | | |
| 10 Net section 1231 gain (loss) (attach Form 4797) | 10 | (56,500) | |
| 11 Other income (loss) (see instructions) Type: _____ | 11 | | |
| Deductions | 12 Section 179 deduction (attach Form 4562) | 12 | |
| | 13a Cash contributions | 13a | 3,000 |
| | b Noncash contributions | 13b | |
| | c Investment interest expense | 13c | |
| | d Section 59(e)(2) expenditures: (1) Type: _____ (2) Amount: _____ | 13d(2) | |
| e Other deductions (see instructions) Type: _____ | 13e | | |
| Self-Employment | 14a Net earnings (loss) from self-employment | 14a | 739,523 |
| | b Gross farming or fishing income | 14b | |
| | c Gross nonfarm income | 14c | 739,523 |
| Credits | 15a Low-income housing credit (section 42(j)(5)) | 15a | |
| | b Low-income housing credit (other) | 15b | |
| | c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable) | 15c | |
| | d Other rental real estate credits (see instructions) Type: _____ | 15d | |
| | e Other rental credits (see instructions) Type: _____ | 15e | |
| | f Other credits (see instructions) Type: _____ | 15f | |
| Inter-national | 16 Attach Schedule K-2 (Form 1065), Partners' Distributive Share Items—International, and check this box to indicate that you are reporting items of international tax relevance <input type="checkbox"/> | | |
| Alternative Minimum Tax (AMT) items | 17a Post-1986 depreciation adjustment | 17a | (199,426) |
| | b Adjusted gain or loss | 17b | (15,622) |
| | c Depletion (other than oil and gas) | 17c | 619,783 |
| | d Oil, gas, and geothermal properties—gross income | 17d | |
| | e Oil, gas, and geothermal properties—deductions | 17e | |
| | f Other AMT items (attach statement) | 17f | (22,101) |
| Other Information | 18a Tax-exempt interest income | 18a | |
| | b Other tax-exempt income | 18b | |
| | c Nondeductible expenses | 18c | 12,000 |
| | 19a Distributions of cash and marketable securities | 19a | 1,900,000 |
| | b Distributions of other property | 19b | |
| | 20a Investment income | 20a | 6,401 |
| | b Investment expenses | 20b | |
| c Other items and amounts (attach statement) | | | |
| 21 Total foreign taxes paid or accrued | 21 | | |

Analysis of Net Income (Loss) per Return

| | | | | | | | |
|----------|--|---------------|--------------------------|----------------------------|------------------|-------------------------|--------------------|
| 1 | Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13e, and 21 | | | | | 1 | 1,291,005 |
| 2 | Analysis by partner type: | (i) Corporate | (ii) Individual (active) | (iii) Individual (passive) | (iv) Partnership | (v) Exempt Organization | (vi) Nominee/Other |
| a | General partners | | 710,053 | | | | |
| b | Limited partners | | 580,952 | | | | |

Schedule L Balance Sheets per Books

| | | Beginning of tax year | | End of tax year | |
|--------------------------------|--|-----------------------|------------|-----------------|------------|
| Assets | | (a) | (b) | (c) | (d) |
| 1 | Cash | | 375,120 | | 153,082 |
| 2a | Trade notes and accounts receivable | 1,140,165 | | 1,353,242 | |
| b | Less allowance for bad debts | 1,372,320 | 1,140,165 | | 1,353,242 |
| 3 | Inventories | | | | |
| 4 | U.S. Government obligations | | | | |
| 5 | Tax-exempt securities | | 150,000 | | 125,000 |
| 6 | Other current assets (attach statement) | | | | |
| 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 | 9,327,811 | | 9,529,741 | |
| b | Less accumulated depreciation | 1,426,314 | 7,901,497 | 1,523,300 | 8,006,441 |
| 10a | Depletable assets | 7,426,187 | | 7,312,547 | |
| b | Less accumulated depletion | 426,187 | 7,000,000 | 375,638 | 6,936,909 |
| 11 | Land (net of any amortization) | | 747,000 | | |
| 12a | Intangible assets (amortizable only) | 7,926,216 | | 7,926,216 | |
| b | Less accumulated amortization | | 7,926,216 | | 7,926,216 |
| 13 | Other assets (attach statement) | | 387,000 | | 411,000 |
| 14 | Total assets | | 26,999,318 | | 26,119,810 |
| Liabilities and Capital | | | | | |
| 15 | Accounts payable | | 1,000,000 | | 1,200,000 |
| 16 | Mortgages, notes, bonds payable in less than 1 year | | | | |
| 17 | Other current liabilities (attach statement) | | 4,171,164 | | 1,672,647 |
| 18 | All nonrecourse loans | | | | |
| 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 | | 21,828,154 | | 23,247,163 |
| 22 | Total liabilities and capital | | 26,999,318 | | 26,119,810 |

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

Note: The partnership may be required to file Schedule M-3. See instructions.

| | | | | | |
|----------|--|--|----------|--|--|
| 1 | Net income (loss) per books | | 6 | Income recorded on books this year not included on Schedule K, lines 1 through 11 (itemize): | |
| 2 | Income included on Schedule K, lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, and 11, not recorded on books this year (itemize): | | a | Tax-exempt interest \$ | |
| 3 | Guaranteed payments (other than health insurance) | | 7 | Deductions included on Schedule K, lines 1 through 13e, and 21, not charged against book income this year (itemize): | |
| 4 | Expenses recorded on books this year not included on Schedule K, lines 1 through 13e, and 21 (itemize): | | a | Depreciation \$ | |
| a | Depreciation \$ | | 8 | Add lines 6 and 7 | |
| b | Travel and entertainment \$ | | 9 | Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 | |
| 5 | Add lines 1 through 4 | | | | |

Schedule M-2 Analysis of Partners' Capital Accounts

| | | | | | |
|----------|--------------------------------------|------------|-------------------|---|------------|
| 1 | Balance at beginning of year | 21,828,154 | 6 | Distributions: a Cash | 1,900,000 |
| 2 | Capital contributed: a Cash | | b Property | | |
| | b Property | | 7 | Other decreases (itemize): | |
| 3 | Net income (loss) (see instructions) | 3,319,009 | 8 | Add lines 6 and 7 | 1,900,000 |
| 4 | Other increases (itemize): | | 9 | Balance at end of year. Subtract line 8 from line 5 | 23,247,163 |
| 5 | Add lines 1 through 4 | 25,147,163 | | | |

**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

EASTLAND QUARRIES

Employer identification number (EIN)

00-2000003

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 |
|--------------------|--|----------------------|------------------------------|--|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
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| | | | | |
| | | | | |

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 |
|----------------------------------|----------------------------------|---|---|
| JONATHAN TEAK | 000-30-0003 | US | 55 |
| | | | |
| | | | |
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| | | | |
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| | | | |
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| | | | |

**SCHEDULE C
(Form 1065)**

(Rev. December 2014)
Department of the Treasury
Internal Revenue Service

Additional Information for Schedule M-3 Filers

▶ **Attach to Form 1065. See separate instructions.**

▶ **Information about Schedule C (Form 1065) and its instructions is at www.irs.gov/form1065.**

OMB No. 1545-0123

Name of partnership

EASTLAND QUARRIES

Employer identification number

00-0000003

| | Yes | No |
|--|-----|----|
| 1 At any time during the tax year, were there any transfers between the partnership and its partners subject to the disclosure requirements of Regulations section 1.707-8? | | ✓ |
| 2 Does any amount reported on Schedule M-3, Part II, lines 7 or 8, column (d), reflect allocations to this partnership from another partnership of income, gain, loss, deduction, or credit that are disproportionate to this partnership's share of capital in that partnership or its ratio for sharing other items of that partnership? | | ✓ |
| 3 At any time during the tax year, did the partnership sell, exchange, or transfer any interest in an intangible asset to a related person as defined in sections 267(b) and 707(b)(1)? | | ✓ |
| 4 At any time during the tax year, did the partnership acquire any interest in an intangible asset from a related person as defined in sections 267(b) and 707(b)(1)? | | ✓ |
| 5 At any time during the tax year, did the partnership make any change in accounting principle for financial accounting purposes? See instructions for a definition of change in accounting principle | | ✓ |
| 6 At any time during the tax year, did the partnership make any change in a method of accounting for U.S. income tax purposes? | | ✓ |

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

Cat. No. 49945S

Schedule C (Form 1065) (Rev. 12-2014)

**SCHEDULE D
(Form 1065)**

Capital Gains and Losses

OMB No. 1545-0123

Department of the Treasury
Internal Revenue Service

Attach to Form 1065 or Form 8865.
Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.
Go to www.irs.gov/Form1065 for instructions and the latest information.

2023

Name of partnership

Employer identification number

EASTLAND QUARRIES

00-2000003

Did the partnership dispose of any investment(s) in a qualified opportunity fund during the tax year? Yes No
If "Yes," attach Form 8949 and see its instructions for additional requirements for reporting your gain or loss.

Part I Short-Term Capital Gains and Losses—Generally Assets Held One Year or Less (see instructions)

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.

| | (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) |
|--|----------------------------------|---------------------------------|---|---|
| 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 | 5,000 | 2,700 | | 2,300 |
| 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), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts | | | 6 | |
| 7 Net short-term capital gain or (loss). Combine lines 1a through 6 in column (h). Enter here and on Form 1065, Schedule K, line 8 or 11; or Form 8865, Schedule K, line 8 or 11 | | | 7 | 2,300 |

Part II Long-Term Capital Gains and Losses—Generally Assets Held More Than One Year (see instructions)

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.

| | (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) |
|---|----------------------------------|---------------------------------|--|---|
| 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 | 7,500 | 10,000 | | (2,500) |
| 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 Long-term capital gain from installment sales from Form 6252, line 26 or 37 | | | 11 | |
| 12 Long-term capital gain or (loss) from like-kind exchanges from Form 8824 | | | 12 | |
| 13 Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts | | | 13 | |
| 14 Capital gain distributions (see instructions) | | | 14 | |
| 15 Net long-term capital gain or (loss). Combine lines 8a through 14 in column (h). Enter here and on Form 1065, Schedule K, line 9a or 11; or Form 8865, Schedule K, line 9a or 11 | | | 15 | (2,500) |

Schedule K-1 (Form 1065)

2023

Department of the Treasury Internal Revenue Service

For calendar year 2023, or tax year

beginning 01 / 01 / 2023 ending 12 / 31 / 2023

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

Part I Information About the Partnership
A Partnership's employer identification number 00-2000003

B Partnership's name, address, city, state, and ZIP code
EASTLAND QUARRIES
2313 JACKSON AVE
PORTLAND OR 97208

C IRS center where partnership filed return: EFILE

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.) 000-30-0003

F Name, address, city, state, and ZIP code for partner entered in E. See instructions.
JONATHAN TEAK
48 ADAMS AVE
PORTLAND OR 97208

G General partner or LLC member-manager (checked) Limited partner or other LLC member

H1 Domestic partner (checked) 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):
Table with columns: Beginning, Ending. Rows: Profit (55%), Loss (55%), Capital (55%)

Check if decrease is due to: Sale or Exchange of partnership interest. See instructions.

K1 Partner's share of liabilities:
Table with columns: Beginning, Ending. Rows: Nonrecourse (\$2,500,000), Qualified nonrecourse financing, Recourse

K2 Check this box if item K1 includes liability amounts from lower-tier partnerships

K3 Check if any of the above liability is subject to guarantees or other payment obligations by the partner.

L Partner's Capital Account Analysis
Table with columns: Description, Amount. Rows: Beginning capital account (\$12,005,484), Capital contributed during the year, Current year net income (loss) (\$1,825,455), Other increase (decrease), Withdrawals and distributions (\$1,045,000), Ending capital account (\$12,785,939)

M Did the partner contribute property with a built-in gain (loss)? Yes No (checked)

N Partner's Share of Net Unrecognized Section 704(c) Gain or (Loss)
Table with columns: Description, Amount. Rows: Beginning, Ending

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

Table with 4 columns: Line number, Description, Code, Amount. Rows include: 1 Ordinary business income (loss) 735,064 A; 2 Net rental real estate income (loss) C 739,523; 3 Other net rental income (loss) 15 Credits; 4a Guaranteed payments for services; 4b Guaranteed payments for capital 16 Schedule K-3 is attached if checked; 4c Total guaranteed payments 17 Alternative minimum tax (AMT) items A (109,684); 5 Interest income 7,824 B (8,592) C 340,881; 6a Ordinary dividends F (12,156); 6b Qualified dividends 18 Tax-exempt income and nondeductible expenses; 6c Dividend equivalents 6,600; 7 Royalties; 8 Net short-term capital gain (loss) 1,265 19 Distributions; 9a Net long-term capital gain (loss) (1,375) 1,045,000; 9b Collectibles (28%) gain (loss); 9c Unrecaptured section 1250 gain A 3,521; 10 Net section 1231 gain (loss) (31,075); 11 Other income (loss); 12 Section 179 deduction 21 Foreign taxes paid or accrued; 13 Other deductions A 1,650

22 More than one activity for at-risk purposes* 23 More than one activity for passive activity purposes*

*See attached statement for additional information.

For IRS Use Only

Schedule K-1 (Form 1065)

2023

Department of the Treasury Internal Revenue Service

For calendar year 2023, or tax year

beginning 01 / 01 / 2023 ending 12 / 31 / 2023

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

Part I Information About the Partnership
A Partnership's employer identification number 00-2000003

B Partnership's name, address, city, state, and ZIP code
EASTLAND QUARRIES
2313 JACKSON AVE
PORTLAND OR 97208

C IRS center where partnership filed return: EFILE

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.) 000-30-0001

F Name, address, city, state, and ZIP code for partner entered in E. See instructions.
PETER TEAK
34 WASHINGTON AVE
PORTLAND OR 97208

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

H1 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 45 % 45 %
Loss 45 % 45 %
Capital 45 % 45 %

Check if decrease is due to: Sale or Exchange of partnership interest. See instructions.

K1 Partner's share of liabilities:
Beginning Ending
Nonrecourse \$ \$
Qualified nonrecourse financing \$ \$
Recourse \$ \$

K2 Check this box if item K1 includes liability amounts from lower-tier partnerships

K3 Check if any of the above liability is subject to guarantees or other payment obligations by the partner.

L Partner's Capital Account Analysis
Beginning capital account \$ 9,822,670
Capital contributed during the year \$
Current year net income (loss) \$ 746,777
Other increase (decrease) (attach explanation) \$ 10,569,447
Withdrawals and distributions \$ ()
Ending capital account \$

M Did the partner contribute property with a built-in gain (loss)? Yes No

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

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

Table with 4 columns: Item number, Description, Amount, and Code. Rows include Ordinary business income (loss) 300,708, Net rental real estate income (loss), Other net rental income (loss), Credits, Guaranteed payments for services, Guaranteed payments for capital, Schedule K-3 is attached if checked, Total guaranteed payments, Alternative minimum tax (AMT) items, Interest income, Ordinary dividends, Qualified dividends, Dividend equivalents, Royalties, Net short-term capital gain (loss), Distributions, Net long-term capital gain (loss), Collectibles (28%) gain (loss), Other information, Unrecaptured section 1250 gain, Net section 1231 gain (loss), Other income (loss), Section 179 deduction, Foreign taxes paid or accrued, Other deductions, Foreign taxes paid or accrued.

22 More than one activity for at-risk purposes*
23 More than one activity for passive activity purposes*

*See attached statement for additional information.

For IRS Use Only

Schedule K-1 (Form 1065)

2023

Department of the Treasury Internal Revenue Service

For calendar year 2023, or tax year

beginning 01 / 01 / 2023 ending 12 / 31 / 2023

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

Part I Information About the Partnership

A Partnership's employer identification number 00-2000003

B Partnership's name, address, city, state, and ZIP code EASTLAND QUARRIES 2313 JACKSON AVE PORTLAND OR 97208

C IRS center where partnership filed return: EFILE

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.) 000-00-0002

F Name, address, city, state, and ZIP code for partner entered in E. See instructions. JOSEPH SPRUCE 5421 NORTH 2100 SOUTH PORTLAND OR 97208

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

H1 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

Table with 2 columns: Beginning, Ending. Rows: Profit (0%, 45%), Loss (0%, 45%), Capital (0%, 45%)

Check if decrease is due to: Sale or Exchange of partnership interest. See instructions.

K1 Partner's share of liabilities: Beginning Ending

Table with 2 columns: Beginning, Ending. Rows: Nonrecourse, Qualified nonrecourse financing, Recourse

K2 Check this box if item K1 includes liability amounts from lower-tier partnerships

K3 Check if any of the above liability is subject to guarantees or other payment obligations by the partner. See instructions

L Partner's Capital Account Analysis

Table with 2 columns: Beginning, Ending. Rows: Beginning capital account, Capital contributed during the year, Current year net income (loss), Other increase (decrease), Withdrawals and distributions, Ending capital account

M Did the partner contribute property with a built-in gain (loss)? Yes No

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

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

Main table with 3 columns: Item number, Description, Amount. Rows include: 1 Ordinary business income (loss) 300,708; 2 Net rental real estate income (loss); 3 Other net rental income (loss); 4a Guaranteed payments for services; 4b Guaranteed payments for capital; 4c Total guaranteed payments; 5 Interest income 3,200; 6a Ordinary dividends; 6b Qualified dividends; 6c Dividend equivalents; 7 Royalties; 8 Net short-term capital gain (loss) 518; 9a Net long-term capital gain (loss) (562); 9b Collectibles (28%) gain (loss); 9c Unrecaptured section 1250 gain; 10 Net section 1231 gain (loss) (12,712); 11 Other income (loss); 12 Section 179 deduction; 13 Other deductions 675; 14 Self-employment earnings (loss); 15 Credits; 16 Schedule K-3 is attached if checked; 17 Alternative minimum tax (AMT) items A (44,871); B (3,515) C 139,451; 18 Tax-exempt income and nondeductible expenses; 19 Distributions 855,000; 20 Other information A 1,440; 21 Foreign taxes paid or accrued

22 More than one activity for at-risk purposes* 23 More than one activity for passive activity purposes*

*See attached statement for additional information.

For IRS Use Only

**SCHEDULE M-3
(Form 1065)**

(Rev. December 2021)
Department of the Treasury
Internal Revenue Service

**Net Income (Loss) Reconciliation
for Certain Partnerships**

▶ Attach to Form 1065.

▶ Go to www.irs.gov/Form1065 for instructions and the latest information.

OMB No. 1545-0123

| | |
|---|---|
| Name of partnership EASTLAND QUARRIES | Employer identification number 00-2000003 |
|---|---|

This Schedule M-3 is being filed because (check all that apply):

- A** The amount of the partnership's total assets at the end of the tax year is equal to \$10 million or more.
- B** The amount of the partnership's adjusted total assets for the tax year is equal to \$10 million or more. If box B is checked, enter the amount of adjusted total assets for the tax year 26,119,810.
- C** The amount of total receipts for the tax year is equal to \$35 million or more. If box C is checked, enter the total receipts for the tax year _____.
- D** An entity that is a reportable entity partner with respect to the partnership owns or is deemed to own an interest of 50% or more in the partnership's capital, profit, or loss on any day during the tax year of the partnership.

| Name of Reportable Entity Partner | Identifying Number | Maximum Percentage Owned or Deemed Owned |
|-----------------------------------|--------------------|--|
| | | |
| | | |

E Voluntary filer.

Part I Financial Information and Net Income (Loss) Reconciliation

- 1a** Did the partnership file SEC Form 10-K for its income statement period ending with or within this tax year?
 Yes. Skip lines 1b and 1c and complete lines 2 through 11 with respect to that SEC Form 10-K.
 No. Go to line 1b. See instructions if multiple non-tax-basis income statements are prepared.
- b** Did the partnership prepare a certified audited non-tax-basis income statement for that period?
 Yes. Skip line 1c and complete lines 2 through 11 with respect to that income statement.
 No. Go to line 1c.
- c** Did the partnership prepare a non-tax-basis income statement for that period?
 Yes. Complete lines 2 through 11 with respect to that income statement.
 No. Skip lines 2 through 3b and enter the partnership's net income (loss) per its books and records on line 4a.
- 2** Enter the income statement period: Beginning 01 / 01 / 2023 Ending 12 / 31 / 2023
- 3a** Has the partnership's income statement been restated for the income statement period on line 2?
 Yes. (If "Yes," attach a statement and the amount of each item restated.)
 No.
- b** Has the partnership's income statement been restated for any of the 5 income statement periods immediately preceding the period on line 2?
 Yes. (If "Yes," attach a statement and the amount of each item restated.)
 No.

| | | |
|---|-----------|-----------|
| 4a Worldwide consolidated net income (loss) from income statement source identified on Part I, line 1 | 4a | 3,319,009 |
| b Indicate accounting standard used for line 4a. See instructions. 1 <input checked="" type="checkbox"/> GAAP 2 <input type="checkbox"/> IFRS 3 <input type="checkbox"/> Section 704(b) 4 <input type="checkbox"/> Tax-basis 5 <input type="checkbox"/> Other (specify) ▶ _____ | | |
| 5a Net income from nonincludible foreign entities (attach statement) | 5a | () |
| b Net loss from nonincludible foreign entities (attach statement and enter as a positive amount) | 5b | |
| 6a Net income from nonincludible U.S. entities (attach statement) | 6a | () |
| b Net loss from nonincludible U.S. entities (attach statement and enter as a positive amount) | 6b | |
| 7a Net income (loss) of other foreign disregarded entities (attach statement) | 7a | |
| b Net income (loss) of other U.S. disregarded entities (attach statement) | 7b | |
| 8 Adjustment to eliminations of transactions between includible entities and nonincludible entities (attach statement) | 8 | |
| 9 Adjustment to reconcile income statement period to tax year (attach statement) | 9 | |
| 10 Other adjustments to reconcile to amount on line 11 (attach statement) | 10 | |
| 11 Net income (loss) per income statement of the partnership. Combine lines 4a through 10 | 11 | 3,319,009 |

Note: Part I, line 11, must equal Part II, line 26, column (a); or Form 1065, Schedule M-1, line 1. See instructions.

12 Enter the total amount (not just the partnership's share) of the assets and liabilities of all entities included or removed on the following lines.

| | Total Assets | Total Liabilities |
|-------------------------------------|--------------|-------------------|
| a Included on Part I, line 4 | 28,234,548 | 4,987,385 |
| b Removed on Part I, line 5 | | |
| c Removed on Part I, line 6 | | |
| d Included on Part I, line 7 | | |

Name of partnership

EASTLAND QUARRIES

Employer identification number

00-2000003

Part II Reconciliation of Net Income (Loss) per Income Statement of Partnership With Income (Loss) per Return

| Income (Loss) Items | (a) Income (Loss) per Income Statement | (b) Temporary Difference | (c) Permanent Difference | (d) Income (Loss) per Tax Return |
|---|---|--------------------------------|--------------------------------|--|
| Attach statements for lines 1 through 10. | | | | |
| 1 | Income (loss) from equity method foreign corporations | | | |
| 2 | Gross foreign dividends not previously taxed | | | |
| 3 | Subpart F, QEF, and similar income inclusions | | | |
| 4 | Gross foreign distributions previously taxed | | | |
| 5 | Income (loss) from equity method U.S. corporations | | | |
| 6 | U.S. dividends | | | |
| 7 | Income (loss) from U.S. partnerships | | | |
| 8 | Income (loss) from foreign partnerships | | | |
| 9 | Income (loss) from other pass-through entities | | | |
| 10 | Items relating to reportable transactions | | | |
| 11 | Interest income (see instructions) | | | |
| 12 | Total accrual to cash adjustment | | | |
| 13 | Hedging transactions | | | |
| 14 | Mark-to-market income (loss) | | | |
| 15 | Cost of goods sold (see instructions) | () | | () |
| 16 | Sale versus lease (for sellers and/or lessors) | | | |
| 17 | Section 481(a) adjustments | | | |
| 18 | Unearned/deferred revenue | | | |
| 19 | Income recognition from long-term contracts | | | |
| 20 | Original issue discount and other imputed interest | | | |
| 21a | Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities | 37,200 | | |
| b | Gross capital gains from Schedule D, excluding amounts from pass-through entities | | | 2,300 |
| c | Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses | | | (2,500) |
| d | Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses | | | 37,400 |
| e | Abandonment losses | | | |
| f | Worthless stock losses (attach statement) | | | |
| g | Other gain/loss on disposition of assets other than inventory | | | |
| 22 | Other income (loss) items with differences (attach statement) | | | |
| 23 | Total income (loss) items. Combine lines 1 through 22 | 37,200 | | 37,200 |
| 24 | Total expense/deduction items. (From Part III, line 31) (see instructions) | (88,989) | (1,994,529) | 12,000 |
| 25 | Other items with no differences | 3,370,798 | | 3,325,323 |
| 26 | Reconciliation totals. Combine lines 23 through 25 | 3,319,009 | (1,994,529) | 12,000 |
| | | | | 1,291,005 |

Note: Line 26, column (a), must equal Part I, line 11, and column (d) must equal Form 1065, Analysis of Net Income (Loss), line 1.

Name of partnership

Employer identification number

EASTLAND QUARRIES

00-2000003

Part III Reconciliation of Net Income (Loss) per Income Statement of Partnership With Income (Loss) per Return—Expense/Deduction Items

| Expense/Deduction Items | (a) Expense per Income Statement | (b) Temporary Difference | (c) Permanent Difference | (d) Deduction per Tax Return |
|---|--|--------------------------------|--------------------------------|------------------------------------|
| 1 State and local current income tax expense | | | | |
| 2 State and local deferred income tax expense | | | | |
| 3 Foreign current income tax expense (other than foreign withholding taxes) | | | | |
| 4 Foreign deferred income tax expense | | | | |
| 5 Equity-based compensation | | | | |
| 6 Meals and entertainment | 24,000 | | (12,000) | 12,000 |
| 7 Fines and penalties | | | | |
| 8 Judgments, damages, awards, and similar costs | | | | |
| 9 Guaranteed payments | | | | |
| 10 Pension and profit-sharing | | | | |
| 11 Other post-retirement benefits | | | | |
| 12 Deferred compensation | | | | |
| 13 Charitable contribution of cash and tangible property | | | | |
| 14 Charitable contribution of intangible property | | | | |
| 15 Organizational expenses as per Regulations section 1.709-2(a) | | | | |
| 16 Syndication expenses as per Regulations section 1.709-2(b) | | | | |
| 17 Current year acquisition/reorganization investment banking fees | | | | |
| 18 Current year acquisition/reorganization legal and accounting fees | | | | |
| 19 Amortization/impairment of goodwill | | | | |
| 20 Amortization of acquisition, reorganization, and start- up costs | | | | |
| 21 Other amortization or impairment write-offs | | | | |
| 22 Reserved for future use | | | | |
| 23a Depletion—oil & gas | | | | |
| b Depletion—other than oil & gas | | 506,885 | | 506,885 |
| 24 Intangible drilling and development costs (IDC) | | | | |
| 25 Depreciation | 64,989 | 1,487,644 | | 1,552,633 |
| 26 Bad debt expense | | | | |
| 27 Interest expense (see instructions) | | | | |
| 28 Purchase versus lease (for purchasers and/or lessees) | | | | |
| 29 Research and development costs | | | | |
| 30 Other expense/deduction items with differences (attach statement) | | | | |
| 31 Total expense/deduction items. Combine lines 1 through 30. Enter here and on Part II, line 24, reporting positive amounts as negative and negative amounts as positive | 88,989 | 1,994,529 | (12,000) | 2,071,518 |

▶ **Attach to Form 1120, 1120-C, 1120-F, 1120S, or 1065.**
▶ **Go to www.irs.gov/Form1125A for the latest information.**

| | | | |
|----------------------------------|--|---|-----------|
| Name EASTLAND QUARRIES | | Employer identification number 00-2000003 | |
| 1 | Inventory at beginning of year | 1 | 1,372,320 |
| 2 | Purchases | 2 | 1,512,263 |
| 3 | Cost of labor | 3 | 2,130,412 |
| 4 | Additional section 263A costs (attach schedule) | 4 | 74,212 |
| 5 | Other costs (attach schedule) | 5 | 3,118,745 |
| 6 | Total. Add lines 1 through 5 | 6 | 8,207,952 |
| 7 | Inventory at end of year | 7 | 1,207,920 |
| 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 | 7,000,032 |

9a Check all methods used for valuing closing inventory:

(i) Cost

(ii) Lower of cost or market

(iii) Other (Specify method used and attach explanation.) ▶ _____

b Check if there was a writedown of subnormal goods ▶

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ▶

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 . . . Yes No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation Yes No

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

What's New

Small business taxpayers. For tax years beginning after December 31, 2017, the following apply.

- A small business taxpayer (defined below), may use a method of accounting for inventories that either: (1) treats inventories as nonincidental materials and supplies, or (2) conforms to the taxpayer's financial accounting treatment of inventories.
- A small business taxpayer is not required to capitalize costs under section 263A.

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, or 1065, 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. A small business taxpayer (defined below), can adopt or change its accounting method to account for inventories in the same manner as material and supplies that are nonincidental, or conform to its treatment of inventories in an applicable financial statement (as defined in section 451(b)(3)), or if it does not have an applicable financial statement, the method of accounting used in its books and records prepared in accordance with its accounting procedures. See section 471(c)(3).

A small business taxpayer claiming exemption from the requirement to keep inventories is changing its method of accounting for purposes of section 481. For additional guidance on this method of accounting, see Pub. 538, Accounting Periods and Methods. For guidance on changing to this method of accounting, see Form 3115 and the Instructions for Form 3115.

Small business taxpayer. A small business taxpayer is a taxpayer that (a) has average annual gross receipts of \$25 million or less (indexed for inflation) for the 3 prior tax years, and (b) is not a tax shelter (as defined in section 448(d)(3)). See Pub. 538.

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 for use in its trade or business or in an activity engaged in for profit.

A small business taxpayer (defined above) is not required to capitalize costs under section 263A. See section 263A(i).

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.

Depreciation and Amortization (Including Information on Listed Property)

Department of the Treasury Internal Revenue Service

Attach to your tax return. Go to www.irs.gov/Form4562 for instructions and the latest information.

Table with 3 columns: Name(s) shown on return (EASTLAND QUARRIES), Business or activity to which this form relates (QUARRIES), and Identifying number (00-2000003).

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

Table with 5 main rows for calculations (1-5) and a table for property details (6-13) with columns (a) Description, (b) Cost, and (c) Elected cost.

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)

Table with 3 rows (14-16) for depreciation calculations, including a result of 182,157 on line 14.

Part III MACRS Depreciation (Don't include listed property. See instructions.)

Section A

Table with 2 rows (17-18) for MACRS deductions, including a result of 1,300,714 on line 17.

Section B—Assets Placed in Service During 2023 Tax Year Using the General Depreciation System

Table with 7 columns (a-g) for asset classification, month/year, basis, recovery period, convention, method, and depreciation deduction.

Section C—Assets Placed in Service During 2023 Tax Year Using the Alternative Depreciation System

Table with 7 columns (a-g) for alternative depreciation system assets, including class life and recovery periods.

Part IV Summary (See instructions.)

Table with 3 rows (21-23) for summary calculations, including a total of 1,552,633 on line 22.

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

| 24a Do you have evidence to support the business/investment use claimed? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | | | | | 24b If "Yes," is the evidence written? <input type="checkbox"/> Yes <input type="checkbox"/> No | | | |
|---|-------------------------------|---|----------------------------|--|------------------------|--|-------------------------------|---------------------------------|--|
| (a) Type of property (list vehicles first) | (b) Date placed in service | (c) Business/investment use percentage | (d) Cost or other basis | (e) Basis for depreciation (business/investment use only) | (f) Recovery period | (g) Method/Convention | (h) Depreciation deduction | (i) Elected section 179 cost | |
| 25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use. See instructions . | | | | | | 25 | | | |
| 26 Property used more than 50% in a qualified business use: | | | | | | | | | |
| 2023 ENVOY | 02/17/23 | 100 % | 42,600 | 42,600 | 5 | 200 DB/HY | 8,520 | | |
| 2023 CIV | 02/17/23 | 100 % | 20,550 | 20,550 | 5 | 200 DB/HY | 4,110 | | |
| | | % | | | | | | | |
| 27 Property used 50% or less in a qualified business use: | | | | | | | | | |
| | | % | | | | S/L - | | | |
| | | % | | | | S/L - | | | |
| | | % | | | | S/L - | | | |
| 28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 . | | | | | | 28 | 12,630 | | |
| 29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 | | | | | | | 29 | | |

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

| | (a) Vehicle 1 | | (b) Vehicle 2 | | (c) Vehicle 3 | | (d) Vehicle 4 | | (e) Vehicle 5 | | (f) Vehicle 6 | |
|--|------------------|----|------------------|----|------------------|----|------------------|----|------------------|----|------------------|----|
| | Yes | No | Yes | No | Yes | No | Yes | No | Yes | No | Yes | No |
| 30 Total business/investment miles driven during the year (don't include commuting miles) | | | | | | | | | | | | |
| 31 Total commuting miles driven during the year | | | | | | | | | | | | |
| 32 Total other personal (noncommuting) miles driven | | | | | | | | | | | | |
| 33 Total miles driven during the year. Add lines 30 through 32 | | | | | | | | | | | | |
| 34 Was the vehicle available for personal use during off-duty hours? | | | | | | | | | | | | |
| 35 Was the vehicle used primarily by a more than 5% owner or related person? | | | | | | | | | | | | |
| 36 Is another vehicle available for personal use? | | | | | | | | | | | | |

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **aren't** more than 5% owners or related persons. See instructions.

| | Yes | No |
|--|-------------------------------------|-------------------------------------|
| 37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 39 Do you treat all use of vehicles by employees as personal use? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 41 Do you meet the requirements concerning qualified automobile demonstration use? See instructions | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.

Part VI Amortization

| (a) Description of costs | (b) Date amortization begins | (c) Amortizable amount | (d) Code section | (e) Amortization period or percentage | (f) Amortization for this year |
|--|---------------------------------|---------------------------|---------------------|--|-----------------------------------|
| 42 Amortization of costs that begins during your 2023 tax year (see instructions): | | | | | |
| DEVELOPMENT | 06/30/22 | 104,106 | 291 | 10 | 10,121 |
| 43 Amortization of costs that began before your 2023 tax year | | | | 43 | 431,513 |
| 44 Total. Add amounts in column (f). See the instructions for where to report | | | | 44 | 441,634 |

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 EASTLAND QUARRIES | Identifying number 00-2000003 |
|---|---|

| | |
|---|-----------|
| 1a Enter the gross proceeds from sales or exchanges reported to you for 2023 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20. See instructions | 1a |
| b Enter the total amount of gain that you are including on lines 2, 10, and 24 due to the partial dispositions of MACRS assets | 1b |
| c Enter the total amount of loss that you are including on lines 2 and 10 due to the partial dispositions of MACRS assets | 1c |

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) |
|---|-----------------------------|-----------------------------------|-------------------------------|-----------------------|---|--|---|
| | STONE CRUSHER | 01/01/2012 | 06/30/2022 | 162,372 | 37,128 | 260,000 | 60,500 |

| | |
|--|-------------------|
| 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 4,000 |
| 6 Gain, if any, from line 32, from other than casualty or theft | 6 (56,500) |
| 7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows | 7 |

Partnerships and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120-S, 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 37,400 |
| 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 37,400 |
| 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 loss from income-producing property on Schedule A (Form 1040), line 16. (Do not include any loss on property used as an employee.) 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 Schedule 1 (Form 1040), Part I, line 4 | 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 | PROPERTY A DESCRIPTION | 01/02/2017 | 07/07/2022 | | |
| B | PROPERTY B DESCRIPTION | 06/06/2018 | 10/10/2022 | | |
| 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 1a before completing.) | 20 | 70,000 | 13,000 | |
| 21 | Cost or other basis plus expense of sale | 21 | 82,000 | 9,000 | |
| 22 | Depreciation (or depletion) allowed or allowable | 22 | 44,000 | 5,400 | |
| 23 | Adjusted basis. Subtract line 22 from line 21. | 23 | 38,000 | 3,600 | |
| 24 | Total gain. Subtract line 23 from line 20 | 24 | 32,000 | 9,400 | |
| 25 | If section 1245 property: | | | | |
| a | Depreciation allowed or allowable from line 22 | 25a | 44,000 | 5,400 | |
| b | Enter the smaller of line 24 or 25a | 25b | 32,000 | 5,400 | |
| 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. | | | | |
| 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 | 41,400 |
| 31 | Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13 | 31 | 37,400 |
| 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 | 4,000 |

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 |

**Report of a Sale or Exchange of
Certain Partnership Interests**

Go to www.irs.gov/Form8308 for the latest information.

| | | |
|---|-------------------------------------|---|
| Name of partnership EASTLAND QUARRIES | Phone number 555-555-5555 | Employer identification number 00-2000003 |
|---|-------------------------------------|---|

Number, street, and room or suite no. If a P.O. box, see instructions.

2313 JACKSON AVE

City or town, state or province, country, and ZIP or foreign postal code

PORTLAND OR 97208

Part I Transferor Information

Record holder of the partnership interest immediately before transferring that interest:

| | |
|------------------------------|--|
| Name HUMPTY DUMPTY | Identifying number 000-00-0000 |
|------------------------------|--|

Number and street (including apt. no.)

1122 BRICK WALL

City or town, state or province, country, and ZIP or foreign postal code

FAIRY TOWN NC 27610

Check if the transferor is foreign:

Beneficial owner of the partnership interest immediately before transferring that interest:

| | |
|---------------------------|--|
| Name PETER TEAK | Identifying number 000-30-0001 |
|---------------------------|--|

Number and street (including apt. no.)

34 WASHINGTON AVE

City or town, state or province, country, and ZIP or foreign postal code

PORTLAND OR 97208

Notice to Transferors: The information on this form has been supplied to the IRS. The transferor in a section 751(a) exchange is required to treat a portion of the gain realized from the exchange as ordinary income. For more details, see Pub. 541, Partnerships.

Statement by Transferor: The transferor in a section 751(a) exchange is required under Regulations section 1.751-1(a)(3) to attach a statement relating to the sale or exchange to their return. See *Instructions to Transferors* on page 3 for more details.

Part II transferee Information

Record holder of the partnership interest immediately after the transfer of that interest:

| | |
|--------------------------------|--|
| Name FRED FLINTSTONE | Identifying number 000-11-0000 |
|--------------------------------|--|

Number and street (including apt. no.)

2222 WILMA LANE

City or town, state or province, country, and ZIP or foreign postal code

PEBBLES TX 75001

Beneficial owner of the partnership interest immediately after the transfer of that interest:

| | |
|------------------------------|--|
| Name JOSEPH SPRUCE | Identifying number 000-00-0002 |
|------------------------------|--|

Number and street (including apt. no.)

5421 NORTH 2100 SOUTH

City or town, state or province, country, and ZIP or foreign postal code

PORTLAND OR 97208

Part III Transfer of Partnership Interest

1 Date of sale or exchange of partnership interest: 07 / 01 / 2023

2 Type of partnership interest transferred:

A Capital

B Preferred

C Profits

D Other

Part IV Partner's Share of Gain (Loss) Required by Sections 751(a) and 1(h)(5) and (6)

The amounts in column (c) should be reported to the selling partner on their Schedule K-1 in box 20 using the relevant code.

| | | (a) Partnership-level deemed sale gain (loss) | (b1) Percentage interest in the partnership transferred | (b2) Number of units in the partnership transferred | (c) Partner-level deemed sale gain (loss) | K-1 box 20 code |
|----------|---------------------------------------|---|---|---|---|-----------------|
| 1 | Section 751(a) gain (loss) | | | | | AB |
| 2 | Section 1(h)(5) gain | | | | | AC |
| 3 | Deemed section 1250 unrecaptured gain | | | | | AD |

Sign here only if you are filing this form by itself and not with Form 1065.

Under penalties of perjury, I declare that I have examined this return, including accompanying attachments, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of partnership representative or partner or limited liability company member _____ Date 3 / 15 / 2024

What's New

For transfers occurring on or after January 1, 2023, Form 8308, Parts I and II, have been expanded; and Parts III and IV have been added. Parts I and II request information regarding the record holder, as well as the beneficial owner of the transferor and transferee of the partnership interest. Part I contains a new checkbox to report if the transferor is foreign. Part III is added to request information regarding the type of partnership interest transferred. Part IV has been added to report, when there is a section 751(a) exchange, the partnership's and the transferring partner's share of section 751 "hot assets" (unrealized receivables and inventory items) gain (loss), collectibles gain under section 1(h)(5), and unrecaptured section 1250 gain under section 1(h)(6).

No returns or statements are required under section 6050K if the transfer wasn't a section 751(a) exchange. For example, a transfer which in its entirety constitutes a gift for federal income tax purposes isn't a section 751(a) exchange.

A partnership may rely on a written statement from the transferor that the transfer wasn't a section 751(a) exchange unless the partnership has knowledge to the contrary. If a partnership is in doubt whether partnership property constitutes unrealized receivables or inventory items or whether a transfer constitutes a section 751(a) exchange, the partnership may file Form 8308 to avoid the risk of incurring a penalty for failure to file.

When to file. Generally, file Form 8308 as an attachment to Form 1065, U.S. Return of Partnership Income, for the tax year of the partnership that includes the last day of the calendar year in which the section 751(a) exchange took place. Form 8308 is due at the time for filing the partnership return, including extensions.

File Form 8308 for the following situations.

- **Untimely or incorrect reporting of section 751(a) exchange by a partner to a BBA partnership** (a partnership subject to the centralized partnership audit regime under the Bipartisan Budget Act of 2015)—If a BBA partnership is notified of a section 751(a) exchange after it has filed its partnership return (and the time for filing a superseding return has expired) and the amount of section 751 gain (loss) wasn't reported on the transferor partner's Schedule K-1 (Form 1065), or if the section 751(a) exchange was incorrectly reported, then the partnership must file an Administrative Adjustment Request (AAR) and include Form 8308 as an attachment. See the instructions for Form 8082, Notice of Inconsistent Treatment or Administrative Adjustment Request (AAR); and Form 1065-X, Amended Return or Administrative Adjustment Request (AAR), for more information on filing an AAR. For additional information, go to www.irs.gov/bbaaar. If the partnership is still permitted to file a superseding return, it may do so rather than file an AAR, before the due date of the return, including extensions.

Note: A superseding return is a subsequent return filed within the same filing period as the original return (including extensions). In contrast, an amended return is a subsequent return filed after the extended due date of the original return.

- **Untimely or incorrect reporting of section 751(a) exchange by partner to a nonBBA partnership**—If a nonBBA partnership is notified of a section 751(a) exchange after it has filed its partnership return (and the time for filing a superseding return has expired) and the amount of section 751 gain (loss) wasn't reported on the transferor partner's Schedule K-1 or if the section 751(a) exchange was incorrectly reported, then the partnership must file Form 8308 with an amended Form 1065 within 30 days of notification, with the service center where Form 1065 was filed, and provide amended Schedule(s) K-1 to the affected partner(s). If the period for filing a superseding return hasn't expired, the partnership may file a superseding return rather than an amended return.

- **Nonfiling of Form 8308 by the partnership**—If a BBA or nonBBA partnership didn't file Form 8308 with its Form 1065 but reported the correct section 751 gain (loss) on its return and on its Schedule(s) K-1 issued to the relevant partner(s), then the partnership must file Form 8308 separately and within 30 days of notification with the service center where Form 1065 was filed. No AAR is needed for BBA partnerships because there is no change to the originally reported section 751 gain (loss) amount.

- **Incorrect reporting of section 751(a) exchange on Form 8308 by partnership but correct reporting of section 751(a) exchange on Schedule K-1**—If a BBA or nonBBA partnership provided an incorrect Form 8308 to the transferor and transferee by January 31 of the year following the calendar year in which the section 751(a) exchange occurred or, if later, 30 days after the partnership has notice of the exchange, but the partnership corrected the reporting of the section 751(a) exchange on the Schedule K-1 and provided a correct Form 8308 with its Form 1065 filing, then the partnership should provide a corrected Form 8308 to the partners by the filing date of the Form 1065. No AAR or amended return is needed because there is no change to the Form 1065 filing.

- **Incorrect reporting of section 751(a) exchange on Schedule K-1 or K-3.**
 - **BBA partnership:** If the partnership incorrectly reported the section 751(a) exchange on Schedule K-1 and the period for filing a superseding return has expired, the partnership must file an AAR to make the correction. A correct Form 8308 that also correctly reports the gain (loss) should be

General Instructions

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

Purpose of form. Form 8308 is filed by a partnership to report the sale or exchange by a partner of all or part of a partnership interest where any money or other property received in exchange for the interest is attributable to unrealized receivables or inventory items (that is, where there has been a section 751(a) exchange).

Who must file. A partnership must file a separate Form 8308 for each section 751(a) exchange of an interest in such partnership. See Regulations section 1.6050K-1.

Note: Form 8308 doesn't have to be filed if, under section 6045, Form 1099-B, Proceeds From Broker and Barter Exchange Transactions, is required to be filed with respect to the sale or exchange.

A partnership must file Form 8308 once the partnership has notice of the section 751(a) exchange. The partnership has such notice when either:

1. The partnership receives written notification of the exchange from the transferor that includes the names and addresses of both parties to the exchange, the identifying numbers of the transferor and (if known) of the transferee, and the date of the exchange; or
2. The partnership has knowledge that there has been a transfer of a partnership interest and, at the time of the transfer, the partnership had any unrealized receivables or inventory items.

Sales and Other Dispositions of Capital Assets

Department of the Treasury
Internal Revenue Service

File with your Schedule D to list your transactions for lines 1b, 2, 3, 8b, 9, and 10 of Schedule D.

Go to www.irs.gov/Form8949 for instructions and the latest information.

Name(s) shown on return

Social security number or taxpayer identification number

EASTLAND QUARRIES

00-2000003

Before you check Box A, B, or C below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either will show whether your basis (usually your cost) was reported to the IRS by your broker and may even tell you which box to check.

Part I Short-Term. Transactions involving capital assets you held 1 year or less are generally short-term (see instructions). For long-term transactions, see page 2.

Note: You may aggregate all short-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the totals directly on Schedule D, line 1a; you aren't required to report these transactions on Form 8949 (see instructions).

You must check Box A, B, or C below. Check only one box. If more than one box applies for your short-term transactions, complete a separate Form 8949, page 1, for each applicable box. If you have more short-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

- (A)** Short-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)
- (B)** Short-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS
- (C)** Short-term transactions not reported to you on Form 1099-B

| 1 | (a) Description of property (Example: 100 sh. XYZ Co.) | (b) Date acquired (Mo., day, yr.) | (c) Date sold or disposed of (Mo., day, yr.) | (d) Proceeds (sales price) (see instructions) | (e) Cost or other basis See the Note below and see <i>Column (e)</i> in the separate instructions. | Adjustment, if any, to gain or loss If you enter an amount in column (g), enter a code in column (f). See the separate instructions. | | (h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g). |
|------------------|--|---|---|--|--|--|--------------------------------|--|
| | | | | | | (f) Code(s) from instructions | (g) Amount of adjustment | |
| | 100 SHARES ABC | 04/09/2023 | 09/13/2023 | 5,000 | 2,700 | | | 2,300 |
| | | | | | | | | |
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| | | | | | | | | |
| 2 Totals. | Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, line 1b (if Box A above is checked), line 2 (if Box B above is checked), or line 3 (if Box C above is checked). | | | 5,000 | 2,700 | | | 2,300 |

Note: If you checked Box A above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See *Column (g)* in the separate instructions for how to figure the amount of the adjustment.

Name(s) shown on return. Name and SSN or taxpayer identification no. not required if shown on other side
EASTLAND QUARRIES

Social security number or taxpayer identification number
00-2000003

Before you check Box D, E, or F below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either will show whether your basis (usually your cost) was reported to the IRS by your broker and may even tell you which box to check.

Part II Long-Term. Transactions involving capital assets you held more than 1 year are generally long-term (see instructions). For short-term transactions, see page 1.

Note: You may aggregate all long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the totals directly on Schedule D, line 8a; you aren't required to report these transactions on Form 8949 (see instructions).

You must check Box D, E, or F below. Check only one box. If more than one box applies for your long-term transactions, complete a separate Form 8949, page 2, for each applicable box. If you have more long-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

- (D)** Long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)
- (E)** Long-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS
- (F)** Long-term transactions not reported to you on Form 1099-B

| 1 | (a) Description of property (Example: 100 sh. XYZ Co.) | (b) Date acquired (Mo., day, yr.) | (c) Date sold or disposed of (Mo., day, yr.) | (d) Proceeds (sales price) (see instructions) | (e) Cost or other basis See the Note below and see <i>Column (e)</i> in the separate instructions. | Adjustment, if any, to gain or loss If you enter an amount in column (g), enter a code in column (f). See the separate instructions. | | (h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g). |
|--|--|---|--|--|--|--|--------------------------------|--|
| | | | | | | (f) Code(s) from instructions | (g) Amount of adjustment | |
| | 1 ACRE LAND | 08/01/2008 | 01/10/2023 | 7,500 | 10,000 | | | (2,500) |
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| 2 Totals. Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, line 8b (if Box D above is checked), line 9 (if Box E above is checked), or line 10 (if Box F above is checked). | | | | 7,500 | 10,000 | | | (2,500) |

Note: If you checked Box D above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See *Column (g)* in the separate instructions for how to figure the amount of the adjustment.