

West Virginia Schedule K-1C

General

The partners, members, or shareholders of any pass-through entity are liable for tax on their share of the income, whether or not distributed, and must include their share on the individual income tax return.

West Virginia Schedule K-1C provides a reporting mechanism for a pass-through entity to report the distributive share of gains, losses, modifications and credits of owners that are treated as "C" Corporations and are thereby subject to the WV income tax. The Schedule K-1 should be used for any owner that is not a "C" Corporation (including individuals, partnerships, LLC's, and "S" Corporations).

Withholding

The upper half of the first page includes information concerning the entity reporting the information (including the name, address, identification number and type), information concerning the owner to which this information statement relates (including the name, address, and identification number) and a withholding statement.

Line 1- Line 1 of this section should include the distributive share of income for a nonresident owner.

Line 2 – Line 2 of this section should include the amount withheld for the nonresident owner.

Distributive share

The lower half and second page will include the owners distributive share of items of gain, loss, modification and credit applicable to the owner.

Line 1- Line 1 of this section should include the distributive share of income for an owner.

Lines 2 through 15- These lines reflect the distributive share of modifications available to the owner reported on the entities Schedule B.

Report Line 15 on CNF-120 Schedule B, Line 22

Lines 16 through 25 – These lines reflect the distributive share of tax credits available to the owner reported on the entities Schedule SPF-100TC.

Report by Owners – The WV Schedule K-1C should be filed with the corporation net income tax return of the corporate owner of a pass-through entity. All income reported on the K-1C should be income allocated to WV.