SCHEDULE K-1 (Form 1041)	Beneficiary's Share of Income, Deductions, Credits, Etc.	OMB No. 1545-0092
Department of the Treasury Internal Revenue Service	for the calendar year 1991, or fiscal year beginning _____ , 1991, ending _____ , 19 _____ ▶ Complete a separate Schedule K-1 for each beneficiary.	**1991**

Name of estate or trust

☐ Amended K-1
☐ Final K-1

Beneficiary's identifying number ▶

Estate's or trust's employer identification number ▶

Beneficiary's name, address, and ZIP code

Fiduciary's name, address, and ZIP code

(a) Allocable share item	(b) Amount	(c) Calendar year 1991 Form 1040 filers enter the amounts in column (b) on:
1 Interest		Schedule B, Part I, line 1
2 Dividends		Schedule B, Part II, line 5
3a Net short-term capital gain		Schedule D, line 4, column (g)
b Net long-term capital gain		Schedule D, line 11, column (g)
4a Business income and other non-passive income before directly allocable deductions. (see instructions)		Schedule E, Part III
b Depreciation		
c Depletion		
d Amortization		
5a Rental, rental real estate, and other passive income before directly allocable deductions. (see instructions)		
b Depreciation		
c Depletion		
d Amortization		
6 Income for minimum tax purposes		
7 Income for regular tax purposes (add lines 1 through 5)		
8 Adjustment for minimum tax purposes (subtract line 7 from line 6)		Form 6251, line 5r
9 Estate tax deduction (including certain generation-skipping transfer taxes) (attach computation)		Schedule A, line 25
10 Foreign taxes (list on a separate sheet)		Form 1116 or Schedule A (Form 1040), line 7
11 Tax preference items (itemize):		
a Accelerated depreciation		⎛ Include on the applicable ⎞
b Depletion		⎝ line of Form 6251 ⎠
c Amortization		
d Exclusion items		1992 Form 8801
12 Distributions in the final year of estate or trust:		
a Excess deductions on termination (attach computation)		Schedule A, line 20
b Short-term capital loss carryover		Schedule D, line 5, column (f)
c Long-term capital loss carryover		Schedule D, line 14, column (f)
d Net operating loss (NOL) carryover		Form 1040, line 22
e _____		⎛ Include on the applicable line ⎞
f		⎝ of appropriate tax form ⎠
13 Other (itemize):		
a Trust payments of estimated taxes credited to you		Form 1040, line 55
b Tax-exempt interest		Form 1040, line 8b
c _____		
d _____		
e _____		⎛ Include on the applicable line ⎞
f _____		⎝ of appropriate tax form ⎠
g _____		
h		

For Paperwork Reduction Act Notice, see page 1 of the Instructions for Form 1041.   Cat. No. 11380D   **Schedule K-1 (Form 1041) 1991**

Instructions for Beneficiary Filing Form 1040

General Instructions

Purpose of Form.—The fiduciary of an estate or trust uses Schedule K-1 to report your share of the estate's or trust's income, credits, deductions, etc. **Please keep it for your records. Do not file it with your tax return.** A copy has been filed with IRS.

Name, Address, and Identifying Number.—Your name, address, and identifying number, the estate's or trust's identifying number, and the fiduciary's name and address should have been entered on the Schedule K-1 you received.

Tax Shelters.—If you receive a copy of **Form 8271**, Investor Reporting of Tax Shelter Registration Number, and other tax shelter information from the estate or trust, see the instructions for Form 8271 to determine your reporting requirements.

Errors.—If you believe the fiduciary of the estate or trust has made an error on your Schedule K-1, notify the fiduciary of the estate or trust and ask for an amended or a corrected Schedule K-1. Do not change any items on your copy. Be sure that the estate or trust sends a copy of the amended Schedule K-1 to the IRS.

Beneficiaries of Generation-Skipping Trusts.—If you received **Form 706GS(D-1)**, Notification of Distribution From A Generation-Skipping Trust, and paid a Generation-Skipping Transfer (GST) tax on **Form 706GS(D)**, Generation-Skipping Transfer Tax Return for Distributions, you are allowed to deduct the GST tax paid on income distributions on Schedule A of Form 1040 (or Form 1041 in the case of a trust).

To compute the deduction, first look at column b of Schedule A of Form 706GS(D) that was filed in 1991. If the inclusion ratio is the same for all items, compute a fraction, the numerator of which is the total of all income items from your Schedule(s) K-1 (Form 1041) whose values are included in column c of Schedule A, Form 706GS(D); and the denominator of which is the total of all the fair market values in column c. Multiply the amount on line 10, Form 706GS(D), by this fraction. Include this amount with any other taxes on Schedule A (Form 1040), line 7, (or on line 11, page 1 of Form 1041, in the case of a trust).

If the distributions are from trusts that have different inclusion ratios, the GST tax attributable to income distributions from each trust must be computed separately in the following manner:

Step 1. Compute the portion of the total GST tax that is attributable to total distributions from the trust under consideration. To do this multiply the total GST tax shown on line 10, Form 706GS(D) by a fraction, the numerator of which is the amount in column d of Schedule A, Form 706GS(D), for that particular trust; and the denominator of which is line 4 of Schedule A, Form 706GS(D).

Step 2. Multiply the GST tax attributable to the particular trust (from Step 1 above) by a different fraction, the numerator of which is the income from that particular trust as shown on Schedule K-1 (Form 1041) which is also included in column c of Schedule A, Form 706GS(D); and the denominator of which is the total amount shown in column c of Schedule A, Form 706GS(D) for that particular trust.

Attach a schedule to your income tax return showing your computations.

Specific Instructions

Line 1. Interest.—Report the amount from line 1 (Schedule K-1) on your Schedule B (Form 1040), Part I, line 1.

Line 2. Dividends.—Report the amount from line 2 (Schedule K-1) on your Schedule B (Form 1040), Part II, line 5.

Lines 3a and 3b. Capital Gains.—Report the amount from line 3a (Schedule K-1) on your Schedule D (Form 1040), line 4, column (g). Report the amount from line 3b (Schedule K-1) on your Schedule D (Form 1040), line 11, column (g). If there is an attachment to this Schedule K-1 that reports a disposition of a rental, rental real estate, or passive business activity, see the instructions to **Form 8582**, Passive Activity Loss Limitations, for information on the treatment of dispositions of interests in a passive activity.

Lines 5a–5d.—Caution: *The limitations on passive activity losses and credits under section 469 apply to estates and trusts. At the time these instructions went to print, the rules for treating a beneficiary's income and directly allocable deductions from an estate or trust, and other rules for applying the passive loss and credit limitations to beneficiaries, had not been finalized. These rules will be provided in future regulations.*

Code section 469 provides rules that limit deductions from passive activities to the income from passive activities and credits from passive activities to the tax imposed on any net income from passive activities.

Line 11d.—If you pay alternative minimum tax in 1991, the amount on line 11d will assist you in figuring any minimum tax credit for 1992. See the 1992 **Form 8801,** Credit for Prior Year Minimum Tax—Individuals (and Fiduciaries), for more information.

Lines 12a–12d.—If the fiduciary checked the "Final K-1" box at the top, then you may be allowed to deduct excess deductions from the final year of the estate or trust and certain unused carryovers (subject to limitations) on your individual tax return.

Line 13a.—For purposes of computing any underpayment and penalty on **Form 2210**, Underpayment of Estimated Tax by Individuals and Fiduciaries, you should treat the amount entered on line 13a as an estimated tax payment made on January 15, 1992.

Line 13b.—If any tax-exempt interest is entered on this line by the estate or trust, report it on Form 1040, line 8b.

Lines 13c–13h.—The amount of gross farming and fishing income is included in lines 4a and 5a. This income is also separately stated on line 13 to help you determine if you are subject to a penalty for underpayment of estimated tax.

● *Individual Beneficiaries.—*Report the amount of gross farming and fishing income on Schedule E (Form 1040), line 41.

● *Beneficiaries That Are Estates or Trusts.—*Beneficiaries that are estates or trusts must pass through the amount of gross farming and fishing income included on line 13 of their Schedules K-1 to line 13 of their beneficiaries' Schedules K-1 on a pro rata basis.

Note: *The fiduciary's instructions for completing Schedule K-1 are contained in the Form 1041 instructions.*