

U.S. Return of Partnership Income
For calendar year 2010, or tax year beginning _____, 2010,
ending _____, 20 _____.
▶ See separate instructions.

2010

A Principal business activity Consultant	Print or type. Acc 433 1000 E. Victoria Street Carson, CA 90747	D Employer identification number 95-1234567
B Principal product or service Construction		E Date business started 11/01/2009
C Business code number 236110		F Total assets (see instrs) \$ 183,267.

G Check applicable boxes: (1) Initial return (2) Final return (3) Name change (4) Address change (5) Amended return
(6) Technical termination — also check (1) or (2)

H Check accounting method: (1) Cash (2) Accrual (3) Other (specify) ▶ _____

I Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ 2

J Check if Schedules C and M-3 are attached

Caution. Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

INCOME	1 a Gross receipts or sales	1 a	250,000.	
	b Less returns and allowances	1 b		1 c 250,000.
	2 Cost of goods sold (Schedule A, line 8)	2		
	3 Gross profit. Subtract line 2 from line 1c	3		250,000.
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach statement)	4		
	5 Net farm profit (loss) (attach Schedule F (Form 1040))	5		
	6 Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)	6		
	7 Other income (loss) (attach statement)	7		
8 Total income (loss). Combine lines 3 through 7	8		250,000.	
DEDUCTIONS FOR LIMITATIONS	9 Salaries and wages (other than to partners) (less employment credits)	9		71,000.
	10 Guaranteed payments to partners	10		23,000.
	11 Repairs and maintenance	11		
	12 Bad debts	12		
	13 Rent	13		24,000.
	14 Taxes and licenses	14		4,000.
	15 Interest	15		
	16 a Depreciation (if required, attach Form 4562)	16 a		
	b Less depreciation reported on Schedule A and elsewhere on return	16 b		16 c
	17 Depletion (Do not deduct oil and gas depletion)	17		
	18 Retirement plans, etc.	18		
	19 Employee benefit programs	19		
	20 Other deductions (attach statement) See Statement 1	20		4,400.
21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20	21		126,400.	
22 Ordinary business income (loss). Subtract line 21 from line 8	22		123,600.	

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member manager) is based on all information of which preparer has any knowledge.

▶ _____ ▶ Date _____

Signature of general partner or limited liability company member manager

May the IRS discuss this return with the preparer shown below (see instrs)? Yes No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
_____	Non-Paid Preparer	_____		_____
Firm's name ▶ _____	Firm's EIN ▶ _____			
Firm's address ▶ _____	Phone no. _____			

Schedule A Cost of Goods Sold (see the instructions)		
1 Inventory at beginning of year.....	1	
2 Purchases less cost of items withdrawn for personal use.....	2	
3 Cost of labor.....	3	
4 Additional section 263A costs (attach statement).....	4	
5 Other costs (attach statement).....	5	
6 Total. Add lines 1 through 5.....	6	
7 Inventory at end of year.....	7	
8 Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2.....	8	

9a Check all methods used for valuing closing inventory:

(i) Cost as described in Regulations section 1.471-3

(ii) Lower of cost or market as described in Regulations section 1.471-4

(iii) Other (specify method used and attach explanation)

b Check this box if there was a writedown of 'subnormal' goods as described in Regulations section 1.471-2(c)..... Yes No

c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)..... Yes No

d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership?..... Yes No

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

Schedule B Other Information			
1 What type of entity is filing this return? Check the applicable box:		Yes	No
a <input type="checkbox"/> Domestic general partnership	b <input type="checkbox"/> Domestic limited partnership		
c <input checked="" type="checkbox"/> Domestic limited liability company	d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership	f <input type="checkbox"/> Other.....		
2 At any time during the tax year, was any partner in the partnership a disregarded entity, a partnership (including an entity treated as a partnership), a trust, an S corporation, an estate (other than an estate of a deceased partner), or a nominee or similar person?.....		X	
3 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 own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If 'Yes,' attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership.....		X	
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? For rules of constructive ownership, see instructions. If 'Yes,' attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership.....		X	
4 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.....			X

(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock

(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
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.....				
				X

	Yes	No
5 Did the partnership file Form 8893, Election of Partnership Level Tax Treatment, or an election statement under section 6231(a)(1)(B)(ii) for partnership-level tax treatment, that is in effect for this tax year? See Form 8893 for more details		X
6 Does this 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 If 'Yes,' the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item L on Schedule K-1.		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)?		X
8 During the tax year, did the partnership have any debt that was cancelled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?		X
9 Has this partnership filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?		X
10 At any time during calendar year 2010, 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 the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If 'Yes,' enter the name of the foreign country.		X
11 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.		X
12a Is the partnership making, or had it previously made (and not revoked), a section 754 election? See instructions for details regarding section 754 election.		X
b Did the partnership make for this tax year an optional basis adjustment under section 743(b) or 734(b)? If 'Yes,' attach a statement showing the computation and allocation of the basis adjustment. See instructions.		X
c Is the partnership required to adjust the basis of partnership assets 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,' attach a statement showing the computation and allocation of the basis adjustment. See instructions		X
13 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 entities wholly-owned by the partnership throughout the tax year) <input type="checkbox"/>		
14 At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in a partnership property?		X
15 If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect To Foreign Disregarded Entities, enter the number of Forms 8858 attached. See instructions		
16 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.		X
17 Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return		

Designation of Tax Matters Partner (see the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP	▶ Beverly Driver	Identifying number of TMP	▶ 111-22-3333
If the TMP is an entity, name of TMP representative	▶	Phone number of TMP	▶ 310 243-0000
Address of designated TMP	▶ 1000 E. Victoria Street Carson, CA 90747		

Schedule K Partners' Distributive Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 22)	1	123,600.
	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 stmt)	3b	
	c Other net rental income (loss). Subtract line 3b from line 3a	3c	
	4 Guaranteed payments	4	23,000.
	5 Interest income	5	
	6 Dividends: a Ordinary dividends	6a	
	b Qualified dividends	6b	
	7 Royalties	7	
	8 Net short-term capital gain (loss) (attach Schedule D (Form 1065))	8	5,000.
9a Net long-term capital gain (loss) (attach Schedule D (Form 1065))	9a	-4,333.	
b Collectibles (28%) gain (loss)	9b		
c Unrecaptured section 1250 gain (attach statement)	9c		
10 Net section 1231 gain (loss) (attach Form 4797)	10		
11 Other income (loss) (see instructions) Type ▶	11		
Deductions	12 Section 179 deduction (attach Form 4562)	12	13,000.
	13a Contributions See Statement 2	13a	1,000.
	b Investment interest expense	13b	
	c Section 59(e)(2) expenditures: (1) Type ▶ (2) Amount ▶	13c (2)	
d Other deductions (see instructions) Type ▶	13d		
Self-Employment	14a Net earnings (loss) from self-employment	14a	84,800.
	b Gross farming or fishing income	14b	
	c Gross nonfarm income	14c	
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)	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	
Foreign Transactions	16a Name of country or U.S. possession ▶		
	b Gross income from all sources	16b	
	c Gross income sourced at partner level Foreign gross income sourced at partnership level	16c	
	d Passive category ▶ e General category ▶ f Other ▶	16f	
	g Interest expense ▶ h Other ▶	16h	
	Deductions allocated and apportioned at partnership level to foreign source income		
	i Passive category ▶ j General category ▶ k Other ▶	16k	
	l Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	16l	
	m Reduction in taxes available for credit (attach statement)	16m	
n Other foreign tax information (attach statement)			
Alternative Minimum Tax (AMT) Items	17a Post-1986 depreciation adjustment	17a	
	b Adjusted gain or loss	17b	
	c Depletion (other than oil and gas)	17c	
	d Oil, gas, and geothermal properties — gross income	17d	
	e Oil, gas, and geothermal properties — deductions	17e	
	f Other AMT items (attach stmt)	17f	
Other Information	18a Tax-exempt interest income	18a	
	b Other tax-exempt income	18b	
	c Nondeductible expenses	18c	2,000.
	19a Distributions of cash and marketable securities	19a	25,000.
	b Distributions of other property	19b	
	20a Investment income	20a	
b Investment expenses	20b		
c Other items and amounts (attach stmt)			

Analysis of Net Income (Loss)

1 Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13d, and 16l.						1	133,267.
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners							
b Limited partners		78,134.					55,133.

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash		90,000.		173,267.
2a	Trade notes and accounts receivable				
b	Less allowance for bad debts				
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities				
6	Other current assets (attach stmt)				
7	Mortgage and real estate loans				
8	Other investments (attach stmt) See St. 3.		10,000.		
9a	Buildings and other depreciable assets			13,000.	
b	Less accumulated depreciation			3,000.	10,000.
10a	Depletable assets				
b	Less accumulated depletion				
11	Land (net of any amortization)				
12a	Intangible assets (amortizable only)				
b	Less accumulated amortization				
13	Other assets (attach stmt)				
14	Total assets		100,000.		183,267.
Liabilities and Capital					
15	Accounts payable				
16	Mortgages, notes, bonds payable in less than 1 year				
17	Other current liabilities (attach stmt)				
18	All nonrecourse loans				
19	Mortgages, notes, bonds payable in 1 year or more				
20	Other liabilities (attach stmt)				
21	Partners' capital accounts		100,000.		183,267.
22	Total liabilities and capital		100,000.		183,267.

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

Note. Schedule M-3 may be required instead of Schedule M-1 (see instructions).

1	Net income (loss) per books	108,267.	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 pmts (other than health insurance)	23,000.	7	Deductions included on Schedule K, lines 1 through 13d, and 16l, not charged against book income this year (itemize):	
4	Expenses recorded on books this year not included on Schedule K, lines 1 through 13d, and 16l (itemize):		a	Depreciation	\$ _____
a	Depreciation	\$ _____	8	Add lines 6 and 7	
b	Travel and entertainment	\$ 2,000.	9	Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5	133,267.
5	Add lines 1 through 4	133,267.			

Schedule M-2 Analysis of Partners' Capital Accounts

1	Balance at beginning of year	100,000.	6	Distributions: a Cash	25,000.
2	Capital contributed: a Cash		b	Property	
	b Property		7	Other decreases (itemize):	
3	Net income (loss) per books	108,267.	8	Add lines 6 and 7	25,000.
4	Other increases (itemize):		9	Balance at end of year. Subtract line 8 from line 5	183,267.
5	Add lines 1 through 4	208,267.			

Final K-1 Amended K-1

Schedule K-1
(Form 1065)

2010

For calendar year 2010, or tax
year beginning _____, 2010
ending _____,

Department of the Treasury
Internal Revenue Service

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

Part I Information About the Partnership	
A Partnership's employer identification number 95-1234567	
B Partnership's name, address, city, state, and ZIP code Acc 433 1000 E. Victoria Street Carson, CA 90747	
C IRS Center where partnership filed return Ogden, UT	
D <input type="checkbox"/> Check if this is a publicly traded partnership (PTP)	
Part II Information About the Partner	
E Partner's identifying number 331-22-1111	
F Partner's name, address, city, state, and ZIP code Bill Hammer 1000 E. Victoria Street Carson, CA 90747	
G <input checked="" type="checkbox"/> General partner or LLC member-manager <input type="checkbox"/> Limited partner or other LLC member	
H <input checked="" type="checkbox"/> Domestic partner <input type="checkbox"/> Foreign partner	
I What type of entity is this partner? <u>Individual</u>	
J Partner's share of profit, loss, and capital (see instructions):	
Beginning	Ending
Profit 50 %	50 %
Loss 50 %	50 %
Capital 50 %	50 %
K Partner's share of liabilities at year end:	
Nonrecourse..... \$	
Qualified nonrecourse financing..... \$	
Recourse..... \$	
L Partner's capital account analysis:	
Beginning capital account..... \$	50,000.
Capital contributed during the year..... \$	
Current year increase (decrease)..... \$	54,134.
Withdrawals and distributions..... \$	(12,500.)
Ending capital account..... \$	91,634.
<input checked="" type="checkbox"/> Tax basis <input type="checkbox"/> GAAP <input type="checkbox"/> Section 704(b) book	
<input type="checkbox"/> Other (explain)	
M Did the partner contribute property with a built-in gain or loss?	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If 'Yes', attach statement (see instructions)	

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items		
1	Ordinary business income (loss) 61,800.	15 Credits
2	Net rental real estate income (loss)	
3	Other net rental income (loss)	16 Foreign transactions
4	Guaranteed payments 23,000.	
5	Interest income	
6a	Ordinary dividends	
6b	Qualified dividends	
7	Royalties	
8	Net short-term capital gain (loss) 2,500.	
9a	Net long-term capital gain (loss) -2,166.	17 Alternative minimum tax (AMT) items
9b	Collectibles (28%) gain (loss)	
9c	Unrecaptured section 1250 gain	
10	Net section 1231 gain (loss)	18 Tax-exempt income and nondeductible expenses
11	Other income (loss)	C 1,000.
12	Section 179 deduction 6,500.	19 Distributions
13	Other deductions A 500.	A 12,500.
14	Self-employment earnings (loss) A 84,800.	20 Other information

*See attached statement for additional information.

FOR IRS USE ONLY

Final K-1 Amended K-1

Schedule K-1
(Form 1065)

2010

For calendar year 2010, or tax
year beginning _____, 2010
ending _____,

Department of the Treasury
Internal Revenue Service

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

Part I Information About the Partnership	
A Partnership's employer identification number 95-1234567	
B Partnership's name, address, city, state, and ZIP code Acc 433 1000 E. Victoria Street Carson, CA 90747	
C IRS Center where partnership filed return Ogden, UT	
D <input type="checkbox"/> Check if this is a publicly traded partnership (PTP)	
Part II Information About the Partner	
E Partner's identifying number 111-22-3333	
F Partner's name, address, city, state, and ZIP code Beverly Driver 1000 E. Victoria Street Carson, CA 90747	
G <input checked="" type="checkbox"/> General partner or LLC member-manager <input type="checkbox"/> Limited partner or other LLC member	
H <input checked="" type="checkbox"/> Domestic partner <input type="checkbox"/> Foreign partner	
I What type of entity is this partner? <u>Fiduciary</u>	
J Partner's share of profit, loss, and capital (see instructions):	
Beginning	Ending
Profit 50 %	50 %
Loss 50 %	50 %
Capital 50 %	50 %
K Partner's share of liabilities at year end:	
Nonrecourse..... \$	
Qualified nonrecourse financing..... \$	
Recourse..... \$	
L Partner's capital account analysis:	
Beginning capital account..... \$	50,000.
Capital contributed during the year..... \$	
Current year increase (decrease)..... \$	54,133.
Withdrawals and distributions..... \$	(12,500.)
Ending capital account..... \$	91,633.
<input checked="" type="checkbox"/> Tax basis <input type="checkbox"/> GAAP <input type="checkbox"/> Section 704(b) book	
<input type="checkbox"/> Other (explain)	
M Did the partner contribute property with a built-in gain or loss?	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If 'Yes', attach statement (see instructions)	

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items		
1	Ordinary business income (loss) 61,800.	15 Credits
2	Net rental real estate income (loss)	
3	Other net rental income (loss)	16 Foreign transactions
4	Guaranteed payments	
5	Interest income	
6a	Ordinary dividends	
6b	Qualified dividends	
7	Royalties	
8	Net short-term capital gain (loss) 2,500.	
9a	Net long-term capital gain (loss) -2,167.	17 Alternative minimum tax (AMT) items
9b	Collectibles (28%) gain (loss)	
9c	Unrecaptured section 1250 gain	
10	Net section 1231 gain (loss)	18 Tax-exempt income and nondeductible expenses
11	Other income (loss)	C 1,000.
12	Section 179 deduction 6,500.	19 Distributions
13	Other deductions	A 12,500.
A	500.	20 Other information
14	Self-employment earnings (loss)	

*See attached statement for additional information.

FOR IRS USE ONLY

FEDERAL ANALYSIS OF PARTNERS' CAPITAL ACCOUNTS

Partner Number	Partner Name	Beginning Capital Account	Capital Contributed during the year	Partner's share of lines 3, 4, and 7 Fm 1065, Sch. M-2	Withdrawals and Distributions	Ending Capital Account
1	Bill Hammer	50,000.		54,134.	12,500.	91,634.
2	Beverly Driver	50,000.		54,133.	12,500.	91,633.
	Totals	<u>100,000.</u>		<u>108,267.</u>	<u>25,000.</u>	<u>183,267.</u>

Client ACC433HA

Acc 433

95-1234567

8/21/11

02:58PM

Partner Number	Partner Name	Partner Identification Number	Partner Percentage of Profit Sharing	Partner Percentage of Loss Sharing	Partner Percentage of Ownership of Capital
1	Bill Hammer	331-22-1111	50.000000	50.000000	50.000000
2	Beverly Driver	111-22-3333	50.000000	50.000000	50.000000
Totals			<u>100.000000</u>	<u>100.000000</u>	<u>100.000000</u>