

Form: 65

Test Number: 4

Company Name: Construction Team LLC

Filing Type: Apportionment, Calendar Year Filer

Items for Testing:

1. Schedule C
2. Schedule A, Line 8 "Other Reconciliation Items" NO PAB
3. Schedule D
4. Both Resident and Non-Resident K-1s

**Revisions:**

11/16/2012 – (1) Schedule C line, 23 everywhere, changed amount from \$10,000 to \$100,000.

12/13/2012 – (1) Schedule C, line 19 everywhere, removed \$800,000. (2) Schedule C, line 18, Alabama amount added in the amount of \$500,000, and Everywhere amount added in the amount of \$800,000.



Partnership/Limited Liability Company Return of Income

ALSO TO BE FILED BY SYNDICATES, POOLS, JOINT VENTURES, ETC.

**Important!**  
You Must Check Applicable Box:

- Amended Return
- Initial Return
- Final Return
- General Partnership
- Limited Partnership
- LLC/LLP
- Qualified Investment Partnership
- Public Housing Project

For Calendar Year 2012 or Fiscal Year beginning 1/1/2012, 2012, and ending 12/31, 2012

FEDERAL BUSINESS CODE NUMBER ● 51700		FEDERAL EMPLOYER IDENTIFICATION NUMBER ●	
Name of Company ● Construction Team LLC			
Number and Street 19 Building Lane			
City or Town Charleston		State SC	9 Digit ZIP Code 87491-0000
Check if the company operates in more than one state <input checked="" type="checkbox"/>		If above name or address is different from the one shown on your 2011 return, check here <input type="checkbox"/>	
Check if the company qualifies for the Alabama Enterprise Zone Credit or the Capital Credit <input type="checkbox"/>		Number of Members During The Tax Year	2
State in Which Company Was Formed ● SC	Nature of Business ● Construction	Date Qualified in Alabama ● 08/01/2003	Number of Nonresident Members Included in Composite Filing ...

DEPARTMENT USE ONLY

FN

Total Federal income.  
●

Total Federal deductions.  
●

Total assets as shown on Form 1065.  
●

CN

UNLESS A COPY OF FEDERAL FORM 1065 IS ATTACHED THIS RETURN IS INCOMPLETE

SCHEDULE A

COMPUTATION OF SEPARATELY STATED AND NONSEPARATELY STATED INCOME

1 Federal Ordinary Income or (Loss) from trade or business activities		1	●	905,000
Reconciliation to Alabama Basis (see instructions)	2 Net short-term and long-term capital gains – income or (loss)	2	●	
	3 Salaries and wages reduced for federal employment credits	3	●	( )
	4 Net income or (loss) from rental real estate activities	4	●	
	5 Net income or (loss) from other rental activities	5	●	
	6 Net gain or (loss) under I.R.C. §1231 (other than casualty losses)	6	●	
	7 Adjustments due to the Federal Economic Stimulus Act of 2008 (attach schedule)	7	●	
	8 Other reconciliation items (attach schedule)	8	●	5,000
	9 Net reconciling items (add lines 2 through 8)	9	●	5,000
	10 Net Alabama nonseparately stated income or (loss) (add line 1 and line 9)	10	●	910,000
Separately Stated Items (Related to Business Income)	11 Contributions	11	●	( )
	12 Oil and gas depletion	12	●	5,000
	13 I.R.C. §179 expense deduction	13	●	( )
	14 Casualty losses	14	●	5,000
	15 Portfolio income or (loss) less expenses (complete Schedule K)	15	●	
	16 Other separately stated items (attach schedule)	16	●	
	17 Net separately stated items (add line 11 through 16)	17	●	(10,000)
	18 Total separately stated and nonseparately stated items (add line 10 and line 17)	18	●	900,000
	19 Alabama apportionment factor from Schedule D, line 4	19	●	51.5300%
20 Nonseparately Stated Income Allocated and Apportioned to Alabama from Schedule D, line 7	20	●	468,923	

Please Sign Here

I authorize a representative of the Department of Revenue to discuss my return and attachments with my preparer.  
Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of general partner: \_\_\_\_\_ Date: 01/01/13 Daytime Telephone No.: (334) 333-3333 Social Security No.: 111 11 1111

Paid Preparer's Use Only

Preparer's Signature: \_\_\_\_\_ Date: 01/01/2013 Check if self-employed  Preparer's PTIN: E11111187  
Firm's name (or yours, if self-employed) and address: Test Tax Service, 45 Testing Road Montgomery, TX Telephone No.: (334) 444-4444 E.I. No.: 22-222222  
Email Address: test@yahoo.com ZIP Code: 77841



**SCHEDULE B**

**ALLOCATION OF NONBUSINESS INCOME, LOSS, AND EXPENSE**

Identify by account name and amount all items of nonbusiness income, loss, and expense removed from apportionable income and those items which are directly allocable to Alabama. Adjustment(s) must also be made for any proration of expenses under Alabama Income Tax Rule 810-27-1-4-.01, which states, "Any allowable

deduction that is applicable to both business and nonbusiness income of the taxpayer shall be prorated to each class of income in determining income subject to tax as provided..." (See instructions).

DIRECTLY ALLOCABLE ITEMS	ALLOCABLE GROSS INCOME / LOSS		RELATED EXPENSE		NET OF RELATED EXPENSE	
	Column A Everywhere	Column B Alabama	Column C Everywhere	Column D Alabama	Column E Everywhere (Col. A less Col. C)	Column F Alabama (Col. B less Col. D)
<b>Nonseparately stated items</b>						
1a	●					
1b	●					
1c	●					
<b>1d Total (add lines 1a, 1b, and 1c)</b>					●	
<b>Separately stated items</b>						
1e	●					
1f	●					
1g	●					
<b>1h Total (add lines 1e, 1f, and 1g)</b>					●	

**SCHEDULE C**

**APPORTIONMENT FACTOR SCHEDULE – Do not complete if the entity operates exclusively in Alabama.**

TANGIBLE PROPERTY AT COST FOR PRODUCTION OF BUSINESS INCOME		ALABAMA		EVERYWHERE		
		BEGINNING OF YEAR	END OF YEAR	BEGINNING OF YEAR	END OF YEAR	
1 Inventories	1 ●					
2 Land	2 ●	50,000	55,000	100,000	150,000	
3 Furniture and fixtures	3 ●					
4 Machinery and equipment	4 ●	10,000	20,000	30,000	75,000	
5 Buildings and leasehold improvements	5 ●	9,000	10,000	15,000	35,000	
6 IDB/IRB property (at cost)	6 ●					
7 Government property (at FMV)	7 ●					
8 ●	8					
9 Less Construction in progress (if included)	9 ●					
10 Totals	10 ●	69,000	85,000	145,000	260,000	
11 Average owned property (BOY + EOY ÷ 2)	11 ●		77,000		202,500	
12 Annual rental expense	12 ●	5,000 x 8 =	40,000	8,000 x 8 =	64,000	
13 Total average property (add line 11 and line 12)	13a ●		117,000		266,500	
14 Alabama property factor — 13a ÷ 13b = line 14	14 ●				43.9000 %	
<b>SALARIES, WAGES, COMMISSIONS AND OTHER COMPENSATION RELATED TO THE PRODUCTION OF BUSINESS INCOME</b>		15a	<b>ALABAMA</b>	15b	<b>EVERYWHERE</b>	15c
15 Alabama payroll factor — 15a ÷ 15b = 15c	●		100,000		200,000	50.0000 %
<b>SALES</b>			<b>ALABAMA</b>		<b>EVERYWHERE</b>	
16 Destination sales	16 ●		500,000			
17 Origin sales	17 ●					
18 Total gross receipts from sales	18 ●		500,000		800,000	
19 Dividends	19 ●					
20 Interest	20 ●					
21 Rents	21 ●					
22 Royalties	22 ●					
23 Gross proceeds from capital and ordinary gains	23 ●		5,000		100,000	
24 Other ● (Federal 1065, line ●)	24 ●					
25 Alabama sales factor — 25a ÷ 25b = line 25c	25a ●		505,000	25b ●	900,000	25c ● 56.1100 %
26 Enter the amount from line 25c	26 ●					56.1100 %
27 Sum of lines 14, 15c, 25c, and 26 ÷ 4 = ALABAMA APPORTIONMENT FACTOR (Enter here and on line 4, Schedule D, page 3)	27 ●					51.5300 %

NOTE: If any factor is not utilized in the production of business income, it shall be eliminated and the denominator reduced accordingly (Administrative Rule 810-27-1-4-.09).



<b>SCHEDULE D</b>		<b>APPORTIONMENT AND ALLOCATION OF INCOME TO ALABAMA</b>	
1	Net Alabama nonseparately stated income or (loss) from line 10, Schedule A	1	● 910,000
2	Nonseparately stated (income) or loss treated as nonbusiness income (line 1d, Column E, Schedule B) – please enter income as a negative amount and losses as a positive amount	2	●
3	Apportionable income or (loss) – add line 1 and line 2	3	● 910,000
4	Apportionment factor from line 27, Schedule C	4	● 51.5300 %
5	Income or (loss) apportioned to Alabama (multiply amount on line 3 by the percentage on line 4)	5	● 468,923
6	Nonseparately stated income or (loss) allocated to Alabama as nonbusiness income (Column F, line 1d, Schedule B)	6	●
7	Nonseparately Stated Income Allocated and Apportioned to Alabama (add lines 5 and 6). Enter this amount on line 20, Schedule A and line 1, Schedule K – Alabama Amount	7	● 468,923

<b>SCHEDULE E</b>		<b>OTHER INFORMATION</b>	
1	Indicate method of accounting	(a) ● <input type="checkbox"/> cash	(b) ● <input checked="" type="checkbox"/> accrual
		(c) ● <input type="checkbox"/> other	
2	Check if the company is currently being audited by the IRS	● <input type="checkbox"/> What years are involved? _____	
3	Check if the IRS has completed any audits	● <input type="checkbox"/>	
4	Enter this company's Alabama Withholding Tax Account Number	● 0000442311	
5	Briefly describe your operations	● Construction	
6	Indicate if company has been	(a) ● <input type="checkbox"/> dissolved	(b) ● <input type="checkbox"/> sold
		(c) ● <input type="checkbox"/> incorporated	
	If company has been dissolved, sold, or incorporated, complete the following:		
	Nature of change	●	
	Name and address of new company, corporation, or owner(s)	●	
7	Location of the partnership records	● 19 Building Lane Charleston, SC 874910000	
8	Check if an Alabama business privilege tax return was filed for this entity	● <input type="checkbox"/>	
	If the privilege tax return was filed using a different FEIN, please provide the name and FEIN used to file the return.		
	FEIN: ●	NAME: ●	
9	Taxpayer's email address:	test@yahoo.com	

<b>SCHEDULE K</b>		<b>DISTRIBUTIVE SHARE ITEMS</b>			
		Federal Amount	Apportionment Factor	Apportioned Amount	Enter on Alabama Schedule K-1
1	Alabama Nonseparately Stated Income (Schedule D, line 7)			● 468,923	Part III, Line M
<b>Separately Stated Items:</b>					
2	Contributions	●	51.5300		Part III, Line S
3	Oil and gas depletion	● 5,000	51.5300	2,577	Part III, Line Z
4	I.R.C. §179 expense deduction	●	51.5300		Part III, Line O
5	Casualty losses	● 5,000	51.5300	2,577	Part III, Line W
6	Portfolio income	●	51.5300		Part III, Line Q
7	Interest expense related to portfolio income	●	51.5300		Part III, Line P
8	Other expenses related to portfolio income (attach schedule)	●	51.5300		Part III, Line R
9	Other separately stated business items (attach explanation)	●	51.5300		Part III, Line T
10	Small business health insurance premiums (attach explanation)	●			Part III, Line Y
11	Separately stated nonbusiness items (attach schedule)	●			Part III, Line AA
12	Composite payment made on behalf of owner/shareholder	●			Part III, Line U
13	U.S. taxes paid (attach explanation)	●	51.5300		Part III, Line V
14	Alabama exempt income (attach explanation)	●	51.5300		Part III, Line AB
15	Reemployment Act of 2010 deduction (attach explanation)	●		500	Part III, Line AC
<b>Transactions with Owners:</b>					
16	Property distributions to owners	● 10,000	100%	10,000	Part III, Line X
17	Guaranteed payments to partners	●			Part III, Line N

### CHECK LIST

HAVE THE FOLLOWING FORMS BEEN ATTACHED TO THE FORM 65?

ALABAMA SCHEDULE K-1 (one for each owner)

FEDERAL FORM 1065 (entire form as filed with the IRS)



**SCHEDULE CR**

*(Credits will not be allowed without required documentation)*

a. Credit for taxes paid to foreign country . . . . .	a	●	
b. Heroes for Hire Credit . . . . .	b	●	
c. Full Employment Act of 2011 . . . . .	c	●	
d. Capital Credit . . . . .	d	●	
e. AL New Markets Development Credit . . . . .	e	●	
f. Enterprise Zone Credit . . . . .	f	●	
g. Irrigation Credit . . . . .	g	●	

### Required Entity Information For Partnerships and LLCs

1. List general partners.

NAME OF GENERAL PARTNER	SSN / FEIN	ADDRESS	PERCENT OF OWNERSHIP
a. ● Mr. Build It	1111111111	15 Building Lane Charleston, SC	40.00
b. ●			
c. ●			
d. ●			
e. ●			

2. List other states in which the Partnership/LLC operates, if applicable.

SC  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. Person to contact for information regarding this return:

Name: Mr. TV  
Telephone Number: (334) 878-4112  
Email: MRTV@yahoo.com

**This schedule does not eliminate the Schedule K-1 filing requirement.**



Owner's/Shareholder's Share of  
Income, Deductions, Credits, etc.

**2012**

Subchapter K entity

S corporation

QIP Indicator

Tax year beginning 1/1/2012, 2012 and ending 12/31, 2012

SEE INSTRUCTIONS

Final K-1

Amended K-1

PART I Information About the Pass Through Entity		PART III Owner's/Shareholder's Share of Current Year Alabama Income, Deductions, Credit, and Other Items	
A	Entity's Federal Employer Identification Number		Income allocated and apportioned to Alabama
B	Entity's name, address, city, state, and ZIP code Construction Team LLC 19 Building Lane Charleston, SC 29405-0000	M	187,569 M2
PART II Information About the Owner/Shareholder		N	Amount of guaranteed payments to partner to be reported by the partner as Alabama source income (see instructions)
C	Owner's/Shareholder's identifying number 1111111111	O	Section 179 expense
D	Owner's/Shareholder's name Mr. Build It	P	Investment interest expense related to portfolio income
E	Owner's/Shareholder's street address 15 Building Lane	Q	Portfolio income
F	Owner's/Shareholder's city, state, ZIP code Charleston, SC 18741	R	Other expenses related to portfolio income - do not include interest expense
G	<input type="checkbox"/> General partner or LLC member manager <input checked="" type="checkbox"/> Limited partner or other LLC member	S	Charitable contributions
H	What type of entity is this owner/shareholder? <input checked="" type="checkbox"/> Partnership <input type="checkbox"/> Tax exempt entity	T	Other separately stated business items (attach schedule)
I	Owner's/Shareholder's percentage of profit and (loss) sharing 40.00%	U	Composite payment made on behalf of owner/shareholder (see instructions)
J	Check if owner/shareholder is a nonresident <input checked="" type="checkbox"/> Nonresident If a nonresident, provide state of legal residence: South Carolina Check if the owner is a single member LLC. <input type="checkbox"/> Owner	V	U.S. income taxes paid (see instructions)
K	Owner's basis at end of tax year 10,000	W	Casualty losses (see instructions) 1,031 W2
L	1. Credit for taxes paid to foreign country	X	Withdrawals and distributions 4,000
	2. Heroes for Hire Credit	Y	Small business health insurance premiums (attach explanation)
	3. Full Employment Act of 2011	Z	Oil and gas depletion 1,031 Z2
	4. Capital Credit	AA	Separately stated nonbusiness items (attach schedule)
	5. AL New Markets Development Credit	AB	Alabama exempt income (attach explanation)
	6. Enterprise Zone Credit	AC	Reemployment Act of 2010 Deduction (attach explanation) 500
	7. Irrigation Credit		

A completed Alabama Schedule K-1 for each member in the Subchapter K entity/S corporation must be attached to Form 65/Form 20S.



Owner's/Shareholder's Share of  
Income, Deductions, Credits, etc.

**2012**

Subchapter K entity

S corporation

QIP Indicator

Tax year beginning 1/1/2012, 2012 and ending 12/31, 2012

SEE INSTRUCTIONS

Final K-1

Amended K-1

PART I Information About the Pass Through Entity		PART III Owner's/Shareholder's Share of Current Year Alabama Income, Deductions, Credit, and Other Items	
A	Entity's Federal Employer Identification Number		Income allocated and apportioned to Alabama
B	Entity's name, address, city, state, and ZIP code Construction Team LLC 19 Building Lane Montgomery, AL 36102-0000	M	100% Alabama – to be reported by Alabama residents
			Nonseparately stated income
			281,354   M2   546,000
		N	Amount of guaranteed payments to partner to be reported by the partner as Alabama source income (see instructions)
		O	Section 179 expense
		P	Investment interest expense related to portfolio income
		Q	Portfolio income
		R	Other expenses related to portfolio income – do not include interest expense
		S	Charitable contributions
		T	Other separately stated business items (attach schedule)
		U	Composite payment made on behalf of owner/shareholder (see instructions)
		V	U.S. income taxes paid (see instructions)
		W	Casualty losses (see instructions)
			1,546   W2   3,000
		X	Withdrawals and distributions
			6,000
		Y	Small business health insurance premiums (attach explanation)
		Z	Oil and gas depletion
			1,546   Z2   3,000
		AA	Separately stated nonbusiness items (attach schedule)
		AB	Alabama exempt income (attach explanation)
		AC	Reemployment Act of 2010 Deduction (attach explanation)
PART II Information About the Owner/Shareholder			
C	Owner's/Shareholder's identifying number 121212121		
D	Owner's/Shareholder's name Bob Builder		
E	Owner's/Shareholder's street address 19 Alabama Parkway		
F	Owner's/Shareholder's city, state, ZIP code Montgomery, AL		
G	<input type="checkbox"/> General partner or LLC member manager <input checked="" type="checkbox"/> Limited partner or other LLC member		
H	What type of entity is this owner/shareholder? <input checked="" type="checkbox"/> Individual <input type="checkbox"/> Tax exempt entity		
I	Owner's/Shareholder's percentage of profit and (loss) sharing 60.00%		
J	Check if owner/shareholder is a nonresident <input type="checkbox"/> Nonresident If a nonresident, provide state of legal residence:  Check if the owner is a single member LLC. <input type="checkbox"/> Owner _____		
K	Owner's basis at end of tax year 100,000		
L	1. Credit for taxes paid to foreign country 2. Heroes for Hire Credit 3. Full Employment Act of 2011 4. Capital Credit 5. AL New Markets Development Credit 6. Enterprise Zone Credit 7. Irrigation Credit		

A completed Alabama Schedule K-1 for each member in the Subchapter K entity/S corporation must be attached to Form 65/Form 20S.