

Income Index
Apportionment (Businesses)

Question: *When a C corporation is a member of a partnership, how does the C Corporation report the income from the partnership?*

Answer: If the partnership is "unitary" (in the general corporate income tax sense of the word, not the more narrow Colorado definition of meeting 3 of 6 tests), then the partnership income will flow up to the corporate parent along with its factors and will be reapportioned. If the partnership is non-unitary, then the Colorado Source Income from the partnership should be directly allocated to Colorado on the C Corporation's Schedule SF.