(12/08/11)

COLORADO FORM 106
INCOME TAX RETURN FOR PASS-THROUGH ENTITIES
AND COMPOSITE FILING FOR NONRESIDENTS

2011

Use this guide to electronically file your return for free using Revenue Online at *www.Colorado.gov/RevenueOnline* or using private e-file software. Only mail the paper form if you are not able to electronically file the return for any reason.

Partnerships, S corporations, LLCs, LPs, LLPs, LLLPs, and Associations with nonresident members should file a composite return for those members. Complete lines 10-24 of Form 106 to pay the tax on the Colorado source income.

> No other forms must be completed.
> No special election or signature is required by the member for inclusion.
> Members do not have to file a Colorado individual return.

Manage your account.
File and pay online.
Get started with Revenue Online today!
www.Colorado.gov/RevenueOnline

In lieu of a composite return, there are two other options that pass-through entities can use to meet the nonresident member filing requirements. However, these options require additional forms and cannot be used if the member will not be filing a Colorado individual return. See page 4 for details.

DR 0107 (11/28/11)
COLORADO DEPARTMENT OF REVENUE
DENVER CO 80261-0006
www.TaxColorado.com

Vendor ID

2011 COLORADO NONRESIDENT PARTNER, SHAREHOLDER OR MEMBER AGREEMENT

Taxable Year of Pass-Through Entity: BEGINNING _____, 2011 ENDING _____, 20 ___

Taxable Year of Partner, Shareholder or Member: BEGINNING _____, 2011 ENDING _____, 20 ___

NAME AND ADDRESS OF NONRESIDENT PARTNER OR SHAREHOLDER OR MEMBER	NAME AND ADDRESS OF PASS-THROUGH ENTITY	
Name	Name	
Street or Mailing Address	Street or Mailing Address	
City, State, ZIP	City, State, ZIP	
Social Security or Colorado Account Number	Colorado Account Number	Federal Number (FEIN)

I agree to file a 2011 Colorado income tax return and make timely payment of all taxes imposed by the state of Colorado with respect to my share of the Colorado income of the pass-through entity named above. I also agree to be subject to personal jurisdiction in the state of Colorado for purposes of the collection of unpaid income tax together with related penalties and interest.

Taxpayer's or authorized agent's signature	Date

Submit this agreement when filing the Colorado Form 106

Forms DR 0107 and DR 0108 are to be used with respect to nonresident partners, shareholders or members of a pass-through entity. See Form 106 for additional information. Photocopy this form as needed.

DETACH FORM ON THIS LINE

Cut here and send only the coupon below. Help us save time and your tax dollars.

0018

DR 0108 (11/28/11)
COLORADO DEPARTMENT OF REVENUE

2011 Statement of Colorado Tax Remittance for Nonresident Partner, Shareholder or Member

Vendor ID

70

Return this voucher with check or money order payable to the Colorado Department of Revenue, Denver, Colorado 80261-0008. Enter on form DR 0108 the name and Social Security number or FEIN of the non-resident partner, shareholder or member who will ultimately claim this payment. Please read **FYI Publication—Income 54** before filing the DR 0108. Do not send cash. Enclose, but do not staple or attach, your payment with this voucher.

Name of nonresident partner, shareholder or member (Last Name, First Name, MI)			Social Security Number	Shareholder is (check one): ☐ Individual
Address			Federal Employer ID Number	☐ Estate or Trust
City	State	ZIP	**Do not use this form for a C-Corporation or Partnership / S-Corp / LLC**	

Name of Pass-Through Entity		Colorado Account Number
Address		Federal Employer Identification Number
City	State	ZIP

IF NO PAYMENT IS DUE, DO NOT FILE THIS FORM.

The State may convert your check to a one time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your bank account electronically.

(Do not write in space below)

1. Colorado source income for nonresident partner or shareholder		$ .00
2. Colorado tax remitted, 4.63% of amount on line 1	**(08)**	$ .00

AUTOMATIC FILING EXTENSION

General Information

Colorado income tax returns are due 3 ½ months after the end of your tax year, or by April 17, 2012 for traditional calendar year filers. If you are unable to file by your prescribed due date, you may file under extension. This will allow you an additional 6 months to file your return, or until October 15, 2012 for traditional calendar year filers. However, the extension to file DOES NOT allow you to extend your payment due date. *You must pay at least 90% of your tax liability by the original due date of your return (or April 17) and the remainder by the filing extension due date (or October 15) to avoid delinquent payment penalties.*

Penalties and Interest

If the 90% rule is NOT met by the original due date, then delinquent penalty and interest will be assessed when you file your return. If 90% or more of your tax liability is paid by the original due date, and the remaining balance is paid by the extension due date, no penalty will be assessed. However, you will be billed interest, but only on the amount being paid by the extension due date.

If after the original due date, you determine that you underpaid your extension payment you should pay the additional tax as soon as possible to avoid further accumulation of penalty and/or interest.

Pay Online

Taxpayers can now visit *www.Colorado.gov/RevenueOnline* to pay online. Online payments reduce errors and provide instant payment confirmation. Revenue Online also allows users to submit various forms and to monitor their tax account. Form 158-N is not required if an online payment is made. Please be advised that a nominal processing fee may apply to online payments.

Pay by Electronic Funds Transfer (EFT)

EFT Debit and EFT Credit options are free services offered by the department. EFT services require pre-registration before payments can be made. Visit *www.Colorado.gov/revenue/eft* for more information.

Revenue ONLINE

www.Colorado.gov/RevenueOnline

Use the coupon below only if you cannot pay online or by EFT.

DETACH FORM ON THIS LINE

Cut here and send only the coupon below. Help us save time and your tax dollars.

(0049) DR 0158N (11/28/11)
COLORADO DEPARTMENT OF REVENUE

2011 Payment Voucher for Extension of Time for Filing a Colorado Composite Nonresident Income Tax Return

Vendor ID **70**

For the calendar year 2011 or the fiscal year: Start Date: _____, 2011 End Date: _____, 20___.

Return this voucher with check or money order payable to the Colorado Department of Revenue, Denver, Colorado 80261-0008. Write your Colorado Account Number or Federal Employer Identification Number and "2011 Form 158N" on your check or money order. Do not send cash. Enclose, but do not staple or attach, your payment with this voucher.

Name		Colorado Account Number
Address		Federal Employer Identification Number
City	State	ZIP

IF NO PAYMENT IS DUE, DO NOT FILE THIS FORM.

The State may convert your check to a one time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your bank account electronically.

(Do not write in space below)

(08)

Amount of Payment

$ .00

FORM 106 INSTRUCTIONS

This filing guide will assist you with completing this Colorado Income Tax Return. Once you finish the form, file it with a computer, smartphone, or tablet using our free and secure Revenue Online service at *www.Colorado.gov/RevenueOnline*. Or, you may file using private e-file software or with a tax preparer. By filing your return electronically, you significantly reduce the chance of errors and you will receive your refund much faster. If you cannot file electronically for any reason, mail the enclosed forms as instructed.

Please read through this guide before starting your return. All Colorado forms and publications referenced in this guide are available for download at *www.TaxColorado.com* the official Taxation Web site.

Find
File
Connect
www.TaxColorado.com

Any partnership, joint venture, common trust fund, limited association, pool or working agreement, limited liability company or any other combination of persons or interests, that is required to file a federal partnership return of income, must file a Colorado Form 106 if any of the partnership income is from Colorado sources.

An S corporation must file Form 106 for any year it is doing business in Colorado. An S corporation will be deemed to be doing business in Colorado if it is engaged in any activities in Colorado which are beyond the protection afforded by Public Law 86-272.

An S corporation is a corporation for which a valid election is in effect under section 1363(a) of the Internal Revenue Code. If a corporation is an S corporation for federal income tax purposes it is an S corporation for Colorado income tax purposes. S corporations are not subject to Colorado income tax.

A change or correction on your return must be reported on a corrected Form 106 on Revenue Online. If filing on paper, check the box at the top of the corrected Form 106. The corrected form must include all required schedules even if the schedule was submitted with the original return and has not changed.

When used in this instruction booklet or on the partnership forms, the term partnership includes limited liability companies filing as partnerships for federal income tax purposes, and the term partner includes members of such limited liability companies.

DUE DATES FOR FILING RETURN

The return is due to be filed 3 1/2 months after the close of the tax year, or after the automatic six-month extension if applicable. See the extension payment instructions for further information. Calendar year 2011 returns are due on April 17, 2012.

NONRESIDENT PARTNERS/ SHAREHOLDERS/MEMBERS

The pass-through entity is required to ensure that its nonresident partners, shareholders or members satisfy their Colorado income tax liabilities resulting from the Colorado source income earned by the pass through entity. This is accomplished in one of three ways:

- File a composite return on behalf of the nonresident members. The tax due on the composite filing shall be 4.63% of the Colorado-source income of the partners, shareholders or members included in the composite return.
- Provide a completed form DR 0107 each year for each nonresident partner, shareholder or member establishing that he/she will file a Colorado income tax return.
- Provide a completed form DR 0108 for each nonresident partner, shareholder or member. Withhold 4.63% of each nonresident partner, shareholder or member's Colorado source income and submit the payment with form DR 0108. A separate form DR 0108 must be submitted for each partner, shareholder or member for whom a payment is made.

You must indicate in Column 4 of Part III which of these three filing requirements has been elected by each nonresident partner, shareholder or member. Refer to FYI Publication - Income 54 for additional information on composite filing, the agreement to file form DR 0107, and the withholding form DR 0108.

ADDITIONAL INFORMATION AVAILABLE

Forms, FYI publications, and other information is available at *www.TaxColorado.com*

DECLARATION OF ESTIMATED TAX

Estimated payments are required if the tax attributable to any partner, shareholder or member included in a composite return is expected to exceed $1,000. Such estimate payments should be remitted with Form 106EP.

DISTRIBUTIONS

Colorado modifications and credits from Form 106CR, if any, are to be distributed to shareholders on their stock ownership percentage and to partners on their distributive share percentage. Advise each Colorado resident partner, shareholder or member of his/her share of the pass-through entity modifications and credits. Advise each resident shareholder of his/her share of any income tax paid to other states by the corporation so he/she can compute the credit for tax paid other states.

APPORTIONMENT OF INCOME

A pass-through entity doing business in more than one state must apportion its Colorado source income to any states in which the entity is doing business. This ensures income is reported to the state in which the income is earned and taxable. See FYI Publication- Income 59 for details regarding the following apportionment methods.

Partnerships

Income is generally apportioned in one of two ways:

- Single-sale factor
- Colorado–source income of nonresident individuals method

S Corporations

Income is generally apportioned using the single sales method.

Not Apportioning Income — A pass-through entity doing business only in Colorado will source 100% of its income to Colorado.

Single Sales Factor — All business income must be apportioned using the single-sales factor. Non-business income may either be directly allocated to the appropriate state or treated as business income, subject to the single sales factor apportionment. Complete and attach Part IV to your return if you are apportioning income using the single sales factor apportionment method.

Colorado Source Income of Nonresident — Colorado source income apportioned under §39-22-109, C.R.S. is computed by including income that is determined to be from Colorado sources. Attach a schedule to Form 106 explaining how Colorado source income was determined. Modifications may be sourced to Colorado only to the extent that the income to which they relate is sourced to Colorado.

COMPLETING FORM 106

INCOME

LINE 1: Enter the ordinary income or (loss) from line 1 of federal Schedule K.

LINE 2: Enter the total of all other income listed on federal Schedule K. For partnerships, this would be the total of the amounts entered on lines 2, 3c, 4, 5, 6a, 7, 8, 9a, 10 and 11 of federal Schedule K. For S corporations, this would be the total of the amounts entered on lines 2, 3c, 4, 5a, 6, 7, 8a, 9 and 10 of federal Schedule K. Also include any gain from the sale of assets subject to section 179 that is not reported on Schedule K.

MODIFICATIONS AND DEDUCTIONS

LINE 3: Enter the Colorado modifications that increase federal income.

Enter any interest income (net of premium amortization) from state or municipal obligations subject to tax by Colorado. Do not include interest from obligations issued by the State of Colorado or a subdivision thereof.

LINE 5: Enter the allowable deductions from federal Schedule K. For partnerships, this would be the total of lines 12, 13c(2), and 13d of federal Schedule K; and for S corporations, this would be the total of lines 11, 12c(2), and 12d of federal Schedule K. Do not include amounts provided for informational pass through purposes only (e.g. domestic production activities deduction amounts).

Charitable contributions (line 13a, Schedule K, Form 1065, or line 12a, Schedule K, Form 1120S) and investment interest expense (line 13b, Schedule K, Form 1065, or line 12b, Schedule K, Form 1120-S) may be included on line 5 of Form 106, but only if a composite return is being filed for the 4.63% tax of the nonresident partners or shareholders. Do not include any charitable deductions for the donation of a conservation easement that qualified for the gross conservation easement credit.

LINE 6: To the extent of that which was included in the federal taxable income on line 4, enter the sum of the following:

- Any interest income earned on obligations of the United States government and any interest income earned on obligations of any authority, commission, or instrumentality of the United States to the extent such obligations are exempt from state tax under federal law.
- The modification for foreign source income of an export taxpayer. If a partnership qualifies as an export taxpayer, it may exclude for Colorado income tax purposes any income or gain which constitutes foreign source income for federal income tax purposes. For purposes of this modification, an "export taxpayer" means any partnership which sells 50% or more of its products which are produced in Colorado in states other than Colorado or in foreign countries, or if the gross receipts of such partnership are derived from the performance of services, such services are performed in Colorado by a partner or employee of the partnership and fifty percent or more of such services provided by the partnership are sold or provided to persons outside of Colorado.
- To the extent included in federal taxable income, the excludable Colorado capital gain income for property acquired on or after May 9, 1994 and held for five or more years. See FYI Publication — Income 15 for information on what capital gains qualify for this subtraction.

Neither the C corporation foreign income exclusion or the partnership export taxpayer foreign source income modification may be claimed by an S corporation or passed through to its shareholders.

COLORADO SOURCE INCOME

LINE 9: Enter the Colorado-source income. If part of the income is not Colorado-source income, see the instructions for Apportionment of Income. The Colorado income tax statute provides that in determining the source of a nonresident partner's income, no effect shall be given to a provision in the partnership agreement which characterizes payments to the partner as being for services or for the use of capital. Thus payments to partners, whether salaries or interest, shall be construed to be from Colorado sources and taxable by Colorado in the same ratio as is the ordinary income of the partnership.

The partnership will not normally determine income from Colorado sources for any corporate partner as the corporation will include its share of the partnership's income and factors in its own income and factors subject to allocation and apportionment.

COMPOSITE RETURN

Complete lines 10 through 27 of Form 106 only if a composite return is being filed for nonresident partners/shareholders/members.

LINE 10: Enter the Colorado-source income of the nonresident partners/shareholders/members who are included in the composite return.

LINE 11: Enter 4.63% of the Colorado-source income reported on line 10. Enter 4.63% of the Colorado-source income reported on line 10. This represents a reduction in the rate from the 1999 rate of 4.75% and the 1998 rate of 5%.

LINE 12: Enter the tax credits from Form 106CR that are allocated to the nonresident partners/shareholders/members included in the composite return. Do not include any gross conservation easement credit or refundable alternative fuel vehicle credit, which must be reported separately on lines 13 or 17.

LINE 13: Enter the gross conservation easement credit from form 106CR, line 42, that was allocated to the nonresident partners/shareholders included in the composite return. Submit forms DR 1303 and DR 1305 with the return. Submit form DR 1304 under separate cover.

LINE 17: Enter the amount of credit for prepayments. Include the sum of the following on line 17:

- estimated tax payments for 2011
- any overpayment from 2010 that was carried forward to 2011
- extension payment(s)
- payments remitted with Form DR 1079 to satisfy withholding requirements for the sale of Colorado real estate

LINE 18: Enter the amount of withholdings reported on form W-2G made on lottery or gambling winnings. This is rare and will not apply to most taxpayers.

LINE 19: Enter the alternative fuel vehicle credit generated in 2011, from line 43, Form 106CR that was allocated to the nonresident partners/shareholders included in the composite return. This credit is refundable when generated in 2011 (can exceed the net tax on line 16). This credit is not refundable for credits carried forward from prior years. If the pass-through entity is carrying forward an alternative fuel vehicle credit from its 2010 return, enter the amount on line 41, form 106CR and include on line 12, form DR 106. See FYI Publication — Income 9.

LINE 21: If 90% of the tax is not paid by the due date, you must add a delinquent payment penalty. The penalty is 5% of the additional tax due for the first month of delinquency and ½% for each additional month up to a maximum of 12%.

LINE 22: Interest is due on any unpaid tax balance paid after the due date. The interest rate is 3%, or 6% if we bill you and you do not pay within 30 days.

LINE 23: The estimated tax penalty is computed for each partner or shareholder on form DR 0204. This penalty applies only when the tax due for an individual included in the composite filing is more than $1,000. If this penalty is due, submit form DR 0204 for each individual who owes the penalty and enter the total penalty on line 23.

LINE 24: Enter the balance due, including any penalty or interest due from lines 20, 21, 22 and 23.

LINE 25: If the credits on line 20 exceed the tax due on line 16, enter the amount of the overpayment on line 25.

LINE 26: Enter the amount from line 25 you want to credit to next year's estimated tax.

LINE 27: Enter the amount from line 25 you wish to have refunded at this time.

Direct Deposit

You have the option of authorizing a transaction by the Department to directly deposit these funds to your bank account. Otherwise, a refund check will be mailed to the address you have designated on this return. If you use Direct Deposit, you will receive your refund 1-2 weeks faster than if you wait for a paper check.

Direct Deposit – enter the routing and account numbers and account type. The routing number is 9 digits. Account numbers can be up to 17 characters (numbers and/or letters). Include hyphens, but do NOT enter spaces or special symbols. We recommend that you contact your financial institution to insure you are using the correct information and that they will honor a direct deposit. Intercepted Refunds – the Department will intercept your refund if you owe back taxes or if you owe a balance to another Colorado government agency or the IRS.

PAID PREPARER AUTHORIZATION

Designate whether the paid preparer can discuss this return with the Department. By completing this area of the return, you are granting the designee the ability to:

- Provide any missing information needed for the processing of your return; *and*
- Call the Department for information about your return, including the status of your refund or processing time; *and*
- Receive upon request copies of notices, bills, or transcripts related to your return; *and*
- Respond on your behalf to notices about math errors, intercepts, and questions about the preparation of your return

This designation does not allow the third party to receive your refund check, bind you to anything (including any additional tax liability), or otherwise represent you before the Colorado Department of Revenue. If you would like to expand the designee's authorization, complete Form DR 0145, Power of Attorney for Department Administered Tax Matters.

The authorization will automatically end no later than the due date (without regard to extensions) for filing the pass-through entity's 2012 tax return.

Departmental Use Only

Vendor ID

2011 FORM 106
COLORADO PASS-THROUGH ENTITY AND COMPOSITE NONRESIDENT INCOME TAX RETURN
(0043)

● ☐ **Check here if this is an amended return** for calendar year 2011 or other tax year beginning_____, 2011, ending_____, 20___

Name of Organization			Colorado Account Number
Doing Business As			●
Address			Federal Employer ID Number
City	State	ZIP	●

If you are attaching a statement disclosing a listed or reportable transaction, check this box ● ☐

A. This return is being filed for (check one) ● ☐ Partnership ☐ S Corporation ☐ LLC ☐ LP ☐ LLP ☐ LLLP ☐ Association ☐ Non-Profit
B. Beginning depreciable assets from federal return ● $ _____
C. Ending depreciable assets from federal return ● $ _____
D. Business or profession _____
E. Date of organization or incorporation _____
F. If this is a final return, check this box ● ☐
G. If the IRS has made any adjustments to your federal return or have you filed amended federal returns during the last four years, check this box ☐ Explain _____
H. Number of partners or shareholders as of year end _____

File at
www.Colorado.gov/RevenueOnline
– or –
Mail to and Make checks Payable to:
Colorado Department of Revenue,
Denver, CO 80261-0006

PART I: COMPUTATION OF COLORADO INCOME

ROUND TO THE NEAREST DOLLAR

1.	Ordinary income from line 1 federal Schedule K	1	00
2.	Total of all other income	2	00
3.	Modifications increasing federal income	3	00
4.	Total of lines 1, 2 and 3	4	00
5.	Allowable deductions from federal Schedule K	5	00
6.	Modifications decreasing federal income	6	00
7.	Total of lines 5 and 6	7	00
8.	Line 4 minus line 7	● 8	00
9.	Colorado Source Income from (check one): ☐ Part IV ☐ Other (attach explanation) ☐ Income is all Colorado Income	● 9	00

PART II: COMPOSITE NONRESIDENT INCOME TAX RETURN

Do not complete lines 10–24 unless you are filing a composite nonresident return.

10.	Colorado–source Income of nonresident partners/shareholders electing to be included in this composite filing	● 10	00
11.	Tax; 4.63% of the amount on line 10	● 11	00
12.	106CR credits allocated to these partners/shareholders/members (exclude lines 9, 42 & 43, Form 106CR)	● 12	00
13.	Gross conservation easement credit allocated to these partners/shareholders/members	● 13	00
14.	Commercial vehicle investment credit allocated to these partners/shareholders/members	● 14	00
15.	Total of lines 12, 13 and 14	15	00
16.	Net tax, line 11 minus line 15	16	00
17.	Estimated tax credits and extension payments	● 17	00
18.	Withholding from lottery or gambling winnings	● 18	00
19.	Refundable alternative fuel vehicle credit allocated to these partners/shareholders/members	● 19	00
20.	Subtotal; add lines 17 to 19	20	00
21.	Penalty (include on Line 24)	● 21	00
22.	Interest (include on Line 24)	● 22	00
23.	Estimated tax penalty (include on Line 24)	● 23	00
24.	If line 16 is greater than line 20, enter amount owed	● 24	00
25.	Overpayment, line 20 minus line 16	25	00
26.	Overpayment to be credited to estimated tax	● 26	00
27.	Overpayment to be refunded	● 27	00

Direct Deposit

Routing number ☐☐☐☐☐☐☐☐☐ Type: ☐ Checking ☐ Savings

Account number ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

May the Colorado Department of Revenue discuss this return with the paid preparer shown below (see instructions)? ● ☐ Yes ☐ No

I declare this return to be true, correct and complete under penalty of perjury in the second degree. Declaration of preparer is based on all information of which preparer has any knowledge.

Signature of partner or signature and title of officer	Date	Person or firm preparing return (name and telephone number)	Date

The State may convert your check to a one time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your bank account electronically.

Do not submit federal K-1 schedules.

PART III: IDENTIFICATION OF PARTNERS, SHAREHOLDERS OR MEMBERS

Part III must be completed for each partner/shareholder/member. DO NOT submit federal K-1 schedules.

NAMES AND ADDRESSES OF PARTNERS, SHAREHOLDERS OR MEMBERS	Social Security Number or Colorado Account Number	Profit/Loss or Stock Ownership Percentage	Leave blank for resident or check the nonresident election
		%	☐ Composite ☐ 0107 Attached ☐ 0108 Filed
		%	☐ Composite ☐ 0107 Attached ☐ 0108 Filed
		%	☐ Composite ☐ 0107 Attached ☐ 0108 Filed
		%	☐ Composite ☐ 0107 Attached ☐ 0108 Filed
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		%	☐ Composite ☐ 0107 Attached ☐ 0108 Filed

Photocopy or submit a similar spreadsheet for additional partners as needed.

PART IV — APPORTIONMENT OF INCOME UNDER THE COLORADO INCOME TAX SINGLE FACTOR FORMULA

DO NOT SEND FEDERAL RETURN FORMS OR SCHEDULES WITH THIS RETURN

1. Total modified federal taxable income from line 8, Part I, page 1, Form 106 ..... 1 | | 00

BUSINESS INCOME APPORTIONED TO COLORADO BY USE OF THE REVENUE FACTOR
DO NOT INCLUDE FOREIGN SOURCE REVENUES
MODIFIED FROM LINE 6, PART I, PAGE 1, FORM 106

		Colorado		Total	
2.	Gross sales of tangible personal property 2		00		00
3.	Gross revenue from services 3		00		00
4.	Gross rents and royalties from real property 4		00		00
5.	Gross proceeds from sales of real property 5		00		00
6.	Taxable interest and dividend income 6		00		00
7.	Gain from the sale of intangible personal property 7		00		00
8.	Patent and copyright royalties 8		00		00
9.	Revenue from the performance of purely personal services 9		00		00
10.	Total revenue (total of lines 2 through 9 in each column) 10		00		00
11.	Line 10 (Colorado) divided by line 10 (Total) 11				%

COMPLETE LINES 12 AND 15 ONLY IF NONBUSINESS INCOME IS BEING DIRECTLY ALLOCATED. IF ALL INCOME IS BEING TREATED AS BUSINESS INCOME, ENTER 0 (ZERO) ON LINES 12 AND 15.

12. **Less income directly allocable:**

	(a) Net rents and royalties from real or tangible property		00
NONBUSINESS	(b) Capital gains and losses		00
INCOME	(c) Interest and dividends		00
ONLY	(d) Patents and copyright royalties		00
	(e) Other nonbusiness income		00

(f) Total income directly allocable (add lines (a) through (e)) ..... 12 | | 00

13. Modified federal taxable income subject to apportionment by formula, line 1 less line 12 ..... 13 | | 00

14. Income apportioned to Colorado by formula, line 11 times line 13 ..... 14 | | 00

15. **Add income directly allocable to Colorado:**

	(a) Net rents and royalties from real or tangible property		00
NONBUSINESS	(b) Capital gains and losses		00
INCOME	(c) Interest and dividends		00
ONLY	(d) Patents and copyright royalties		00
	(e) Other nonbusiness income		00

(f) Total income directly allocable (add lines (a) through (e)) ..... 15 | | 00

16. Total income apportioned to Colorado, line 14 plus line 15. Enter on line 9, part 1, page 1, Form 106 ..... 16 | | 00

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FORM 106CR Vendor ID **2011**

COLORADO PASS-THROUGH ENTITY CREDIT FORM

Organization Name	Colorado Account Number

		AMOUNTS TO BE DISTRIBUTED	
CREDIT FOR TAX PAID OTHER STATE BY S CORPORATION			
1. Name of State			
2. Amount of income from sources within state			
3. Amount of income tax liability to state	3		00
THE OLD INVESTMENT CREDIT			
4. Federal current-year qualified investment in Colorado assets	4		00
THE NEW INVESTMENT CREDIT			
5. Qualifying current year investment			
6. 1% of the amount on line 5	6		00
ENTERPRISE ZONE INVESTMENT CREDIT			
7. Qualifying current year investment			
8. 3% of the amount on line 7	8		00
9. Commercial vehicle investment credit	9		00
ENTERPRISE ZONE NEW BUSINESS FACILITY EMPLOYEE CREDITS			
10. Average number of current year qualified employees			
11. Number of employees previously claimed			
12. Increase in qualified employees, line 10 minus line 11			
13. Number of employees on line 12 multiplied by $500	13		00
14. Number of employees on line 12 located in a rural enterprise zone multiplied by $2,000	14		00
15. Number of agricultural processing employees on line 12 multiplied by $500	15		00
16. Number of employees on line 15 located in a rural enterprise zone multiplied by $500	16		00
17. Number of health insured qualified employees times $200	17		00
CONTRIBUTION TO ENTERPRISE ZONE ADMINISTRATOR			
18. Current year cash contributions	18		00
19. Value of current year in-kind contributions	19		00
ENTERPRISE ZONE RESEARCH AND DEVELOPMENT CREDIT			
20. Qualifying current year expenditures			
21. First preceding year expenditures			
22. Second preceding year expenditures			
23. Total lines 21 and 22			
24. One-half of the amount on line 23			
25. Line 20 minus line 24			
26. 3% of the amount on line 25	26		00
OTHER CREDITS			
27. Historic property preservation credit (Not available for use in tax year 2011)	27		00
28. Child care contribution credit (Not available for use in tax year 2011)	28		00
29. Child care center family care home investment credit	29		00
30. Employer child care investment credit	30		00
31. School-to-career investment credit	31		00
32. Enterprise zone job training credit	32		00
33. Enterprise zone vacant commercial building rehabilitation credit	33		00
34. Colorado works program credit	34		00
35. Contaminated land redevelopment credit	35		00
36. Low-income housing credit	36		00
37. Aircraft manufacturer new employee credit	37		00
38. Job growth incentive credit	38		00
39. Colorado innovation investment tax credit	39		00
40. Alternative fuel refueling facility credit	40		00
41. Nonrefundable alternative fuel vehicle credit carryforward	41		00
42. Gross conservation easement credit	42		00
43. Refundable alternative fuel vehicle credit	43		00

COLORADO DEPARTMENT OF REVENUE
DENVER CO 80261-0006
www.TaxColorado.com

INSTRUCTIONS FOR FORM 106CR

IN GENERAL. Colorado credits may be passed through from partnerships, and S corporations to the partners, or shareholders. Normally the potential credit is passed through and it is up to the partner or shareholder to determine his or her own limitations.

Some credits may be claimed only by individuals, estates or trusts where others may be claimed only by C Corporations. Other credits may be available to all taxpayers. Credits cannot be claimed by some partners or shareholders cannot be redistributed to other partners or shareholders. For example, if a partnership consisted of a C corporation and an individual, the individual partner's share of the partnership's new investment tax credit could not be claimed by the corporation even though the individual partner is not allowed to use it.

CREDIT FOR TAX PAID OTHER STATES.
Colorado resident S corporation shareholders may claim credit for their share of any net income tax paid to another state by the corporation when the other state does not recognize the S corporation election. Complete a separate Form 106CR for each state to which tax was paid. Advise each Colorado resident shareholder of his or her share of the corporate income from sources in the other state and his or her share of the tax paid.

THE OLD INVESTMENT TAX CREDIT is 10% of the tentative current year federal internal revenue code section 46 credit on assets located in Colorado and may be claimed only by C corporations (this would apply in the case of a partnership with a C corporation partner.) See FYI Publication — Income 11.

THE NEW INVESTMENT TAX CREDIT is basically 1% of the qualified investment in tangible personal property used in a trade or business in Colorado. This credit may be claimed only by C corporations. New for 2011, a credit is available for certain interstate trucks purchased after July 1, 2011. See FYI Publication — Income 11.

THE ENTERPRISE ZONE INVESTMENT CREDIT is basically 3% of the qualified investment in tangible personal property used in a trade or business in a Colorado enterprise zone. It may be claimed by all taxpayers. See FYI Publication - Income 11.

THE ENTERPRISE ZONE NEW BUSINESS FACILITY EMPLOYEE CREDIT is a credit of $500 for each new job created with respect to a qualified enterprise zone new business facility. Additional credits may be available depending on the location of the business, the nature of the work performed and the benefits provided to the employee(s). These credits are available to all taxpayers.

A credit for **contributions to enterprise zone administrators** to further the economic development plans of the zone is allowed to all taxpayers.

A credit of 3% of the increase in a qualified **enterprise zone research and experimental expenditures** is available to all taxpayers. See FYI Publication — Income 22.

All Other Credits entered on lines 26 through 42 are available to all taxpayers. See the following FYIs, available online at *www.TaxColorado.com* for additional information regarding these credits.

Historic property preservation credit	FYI Publication - Income 1
Child care contribution credit	FYI Publication - Income 35
Child care center family care home investment credit	FYI Publication - Income 7
Employer child care investment credit	FYI Publication - Income 7
School to career investment credit	FYI Publication - Income 32
Enterprise zone job training credit	FYI Publication - Income 31
Enterprise zone vacant commercial building rehabilitation credit	FYI Publication - Income 24
Colorado works program credit	FYI Publication - Income 34
Contaminated land redevelopment credit	FYI Publication - Income 42
Low-income housing credit	FYI Publication - Income 46
Aircraft manufacturer new employee credit	FYI Publication - Income 62
Job growth incentive credit	FYI Publication - Income 66
Colorado innovation investment tax credit. Contact the Colorado Economic Development Commission. A credit certificate issued by the Commission must be attached to any return claiming this credit.	
Alternative fuel refueling facility credit	FYI Publication - Income 9
Nonrefundable alternative fuel vehicle credit	FYI Publication - Income 9
Gross conservation easement credit	FYI Publication - Income 39
Refundable alternative fuel vehicle credit	FYI Publication - Income 9