

2014

COLORADO Fiduciary Tax Booklet



Fiduciary Income Tax Electronic Filing Instructions

File the return electronically for free using Revenue Online. You can file on paper if you cannot file electronically, but please note that filing on paper can increase return errors and delay refunds.



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



2014 Payment Voucher for Automatic Colorado Extension for Estates or Trusts

Automatic Filing Extension

General Information

Colorado income tax returns are due the fifteenth day of the fourth month after the end of your tax year, or by April 15, 2015 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, 2015 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 15th) and the remainder by the filing extension due date (or October 15th) 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.

Go Green with Revenue Online

www.Colorado.gov/RevenueOnline allows taxpayers to file taxes, remit payments and monitor their accounts. The DR 0158-F is not required if a Return Payment is remitted through this site. Please be advised that a nominal processing fee may apply to online payments.

Pay by Electronic Funds Transfer (EFT)

EFT payments can be made safely and for free, and can be scheduled up to 12 months ahead of time to avoid forgetting to make a payment. This requires pre-registration before payments can be made.

Visit www.Colorado.gov/revenue/eff for registration information.

Use the coupon below only if you are unable to pay online or by EFT.



Photocopy for your records.

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

(0039)

DR 0158-F (07/16/14)
COLORADO DEPARTMENT OF REVENUE
 Denver CO 80261-0008
 www.TaxColorado.com

2014 Payment Voucher for Automatic Colorado Extension for Estates or Trusts

| | | | | | |
|---|------|---|--|---------------------|---|
| <small>Fiscal Year Beginning</small> (MM/DD) | 2014 | <small>Fiscal Year Ending</small> (MM/DD/YY) | Return this voucher with check or money order payable to the Colorado Department of Revenue, Denver, Colorado 80261-0008. Write the estate's or trust's Colorado account number or FEIN and "2014 DR 0158-F" on the check or money order. Do not send cash. File only if you are making a payment. | | |
| <small>Name of Estate or Trust</small> | | | <small>Colorado Account Number</small> | | |
| <small>Last Name or Business Name of Fiduciary</small> | | <small>First Name</small> | <small>Middle Initial</small> | <small>FEIN</small> | |
| <small>Address</small> | | | | | |
| <small>City</small> | | | <small>State</small> | <small>ZIP</small> | |
| 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. | | | | | <small>Amount of Payment</small> \$.00 |



(Do not write in space below)

Form 105 Instructions

General Information

This filing guide will assist you with completing this Colorado Fiduciary 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 Colorado Taxation Web site.

Account Number

A Colorado account number (CAN) is not assigned to a fiduciary account until the first tax return has been filed. If the eight-digit account number has been assigned, please enter it on the return. This will speed processing of the return and the issuance of any refund.

Resident Estates and Trusts

A resident estate is defined as an estate of a deceased person which is administered in Colorado in any manner other than by an ancillary proceeding. A resident trust is defined as any trust which is administered in Colorado.

Nonresident Estates and Trusts

The Colorado tax of a nonresident estate or trust shall be what the tax would have been were it a resident estate or trust apportioned in the ratio of the Colorado taxable income to the modified federal taxable income. Use Schedule E to make the apportionment.

Requirement for Filing

Every resident estate or trust or every nonresident estate or trust with Colorado source income must file a Colorado income tax return if it is required to file a federal income tax return or if it has a Colorado tax liability.

Information Returns

Any estate or trust that is required to file a federal information return (such as the 5227 or 1041A) must also file Form 105 with Colorado. Complete the appropriate schedules to provide beneficiary and income information.

Return for Decedent

If an executor or administrator is required to file a federal income tax return for a decedent who was a Colorado

resident or a nonresident with Colorado source income, they are required to file a Colorado return for such decedent.

If a final determination of tax liability is requested for the estate or trust of a decedent, the request must be submitted on form DR 0253. Such request must be submitted under separate cover.

Estimated Tax Payments

Estimated tax payments are not required for a fiduciary return. However, if you want to make estimated payments, you can submit your payment at www.Colorado.gov/RevenueOnline (recommended) or by sending a check with Form 105EP.

Period to be Covered by the Return

The return must cover the same tax period as is used for federal tax purposes.

Amending Your Return

A change or correction on your return may be made through Revenue Online, www.Colorado.gov/RevenueOnline. If you are unable to amend online, complete a corrected Form 105. Mark the amended return box at the top of the corrected Form 105. Any adjustment made on a federal amended return must be reported and the Colorado income tax adjusted accordingly. Any adjustments made by the IRS must be reported to Colorado by attaching the revenue agent's report (RAR) to the amended return. Attachments may be uploaded in Revenue Online. The statute of limitations for assessment will not run on any year for which such adjustments are not reported.

When and Where to File

The Colorado fiduciary income tax return is due by the fifteenth day of the fourth month following the close of the taxable year. See form DR 0158-F for automatic extension of time for filing. Electronically file at www.Colorado.gov/RevenueOnline or, if you cannot file electronically for any reason, mail Form 105 to: Colorado Department of Revenue, Denver, Colorado 80261-0006.

Additional Information Available

Additional information, FYI publications and forms are available on the Taxation Web site at www.TaxColorado.com or you can call 303-238-SERV (7378) for information.

Line by Line Instructions

First, complete the federal income tax return to be filed with the IRS—form 1041. You will use the information from that form to complete this Colorado income tax return.

Line 1 Federal Taxable Income

Enter the federal taxable income of the estate or trust.

Line 2 Additions to Taxable Income

Enter the sum of required additions, including but not limited to, the following:

- Any state income tax claimed as a deduction in computing federal taxable income.
- Any interest income accrued or received during the taxable year on obligations of any state or subdivision thereof other than obligations of the State of Colorado or a subdivision thereof. The amount of interest entered shall be net of any bond premium amortization and any expenses required to be allocated to such interest income under provisions of the Internal Revenue Code.
- Any lump-sum pension or profit sharing distribution made to the estate or trust during the tax year to the extent such distribution was reported as income on federal Form 4972. The amount to be entered shall be net of any estate tax attributable to the distribution to the extent claimed as a deduction on Form 4972.
- Any charitable contribution deduction taken on the federal return that has also been claimed for a Colorado tax credit. Read publication FYI Income 39

Line 3 Colorado Marijuana Business Deduction

For Colorado-licensed marijuana businesses, list any expenditure that is eligible to be claimed as a federal income tax deduction but is disallowed by section 280E of the Internal Revenue Code because marijuana is a controlled substance under federal law.

To calculate this deduction, you must create pro forma federal schedule(s) for Business Profit or Loss as if the federal government would have allowed the expenditures from the marijuana business. The Colorado deduction shall be the difference between the profit/loss as calculated on the ACTUAL schedule(s) filed with the federal return and the pro forma schedule(s) described above. You must attach both the pro forma schedule(s) and the actual schedule(s) to your Colorado return to receive this deduction.

Line 4 Other Subtractions

Enter the sum of allowable subtractions, including but not limited to, the following:

- Any refund of state income tax included in federal taxable income.

- To the extent included in federal gross taxable income of the estate or trust, any United States government interest income not subject to tax by the State of Colorado.
- To the extent included in federal gross taxable income or as added on line 2, but not more than \$20,000, the Colorado pension/annuity subtraction. The pension/annuity subtraction is allowed only to the extent the benefits were paid because of the death of the person who earned the pension/annuity income. We recommend that you read publication FYI Income 25 if this applies to you.
- To the extent included in federal taxable income, the amount of capital gain income earned from the sale of real or tangible personal property located in Colorado that was acquired on or after May 9, 1994 and held continuously for at least five years prior to the date of the transaction from which the capital gains arise. You must attach form DR 1316 to the return to provide information explaining how these assets qualify for the subtraction.
- To the extent included in federal gross taxable income payments or contributions made to a qualified state tuition program administered by CollegenInvest.

Line 5 Net Modifications

Line 5 is the difference between lines 2 and 4. If line 4 exceeds line 2, show the amount on line 5 in brackets.

Lines 6 and 7 Allocation of Modifications

Enter the amount of the net modifications allocated to the beneficiaries. These modifications should be allocated to the beneficiaries using the (beneficiary) "subtotal" percentage from Schedule B. Enter the balance of the modifications, if any, on line 7.

Where the allocation of the modifications as given in the instructions for line 6 would produce a result that is substantially inequitable, the fiduciary may (with permission from the department) use such other method of allocation of all or a part of such modifications that will produce a fair and equitable result to both the fiduciary and the beneficiaries.

Line 8 Colorado Taxable Income

Enter the amount by which line 1 exceeds line 7 or the total of lines 1 and 7. This is the modified federal taxable income of the estate or trust subject to tax by Colorado.

Line 9 Tax

Enter the Colorado normal tax of the estate or trust, 4.63% of the amount on line 8. Nonresident estates and trusts enter the amount from line 9, Schedule E. This represents a reduction in the rate from the 1999 rate of 4.75% and the 1998 rate of 5%.

Line 10 Alternative Minimum Tax

Enter the Colorado alternative minimum tax, if any, from Schedule F. Ordinarily there will be a Colorado alternative minimum tax if there is a federal alternative minimum tax.

Line 12 Credits

Enter the credits, if any, from line 6, Schedule G.

Line 13 Gross Conservation Easement Credit

Enter the credit, if any, from line 7, Schedule G. Read publication FYI Income 39 if claiming the Gross Conservation Easement Credit.

Line 14 Total Enterprise Zone Credits

Enter the credit, if any, from line 77, form DR 1366.

Line 17 Estimated Tax Payments and Credits

Enter any amount paid on behalf of the estate or trust with the extension of time for filing payment voucher. Include amounts paid, if any, as estimated tax payments or as withholding on nonresident real estate sales.

Line 18 Colorado Income Tax Withheld

Enter any amount of Colorado income tax withholding on wages reported as taxable income by the estate.

Line 19

Enter the amount of any Colorado W-2G lottery/gaming withholding.

Line 20 Refundable Innovative Motor Vehicle Credit

Enter the credit, if any, From line 36, Form DR 0617.

Line 21 Authorized Instream Flow Incentive Credit

Enter the amount of any instream flow incentive tax credit authorized by the Colorado Water Conservation Board. The credit shall not be available for a water right that is decreed for irrigation on land for which a conservation easement tax credit is claimed unless it is specifically excluded from the terms of the conservation easement.

Line 22

Enter the sum of lines 17 through 21.

Line 23 through Line 25

Line 25 is the balance of tax due, line 16 minus line 22. Include penalty and/or interest on lines 23 and 24 if paid after the original due date of the return.

If 90% or more of the net tax was paid by the original due date of the return (April 15th for calendar year returns) and the balance is paid when the return is filed by the last day of the extension period then only interest will be due. If less than 90% of the net tax was paid by the original due date of the return, penalty and interest will be due.

The penalty is 5% of the balance of tax due for the first month or fraction of a month of delinquency plus 1/2% for each additional month or fraction of a month of delinquency, not to exceed 12% in the aggregate.

Interest is computed at the rate of 3% on any tax unpaid as of the due date of the return from the due date to the date of payment. (Interest on any tax due more than 30 days after billing will be assessed at 6%.)

Paid Preparer Authorization

If the fiduciary wants to allow the Colorado Department of Revenue to discuss the estate's or trust's 2014 tax return with the paid preparer who signed it, mark the "Yes" box. This authorization applies only to the individual whose name appears in the "Person or Firm Preparing Return" area of the fiduciary's return. It does not apply to the firm, if any, shown in that section.

If the "Yes" box is marked, the fiduciary is authorizing the Colorado Department of Revenue to call the paid preparer to answer any questions that may arise during the processing of the estate's or trust's return. The fiduciary is also authorizing the paid preparer to:

- Give the Colorado Department of Revenue any information that is missing from the estate's or trust's return; **and/or**
- Call the Colorado Department of Revenue for information about the processing of the estate's or trust's return or the status of its refund or payment(s); **and/or**
- Respond to Colorado Department of Revenue notices that the fiduciary has shared with the preparer about math errors, offsets, and return preparation. The notices will not be sent to the preparer.

The fiduciary is not authorizing the paid preparer to receive any refund check, bind the estate or trust to anything (including any additional tax liability), or otherwise represent the estate or trust before the Colorado Department of Revenue. If the fiduciary wants to expand the paid preparer authorization, complete form DR 0145 Tax Information Designation and Power of Attorney Representation.

The authorization will automatically end no later than the due date (without regard to extensions) for filing the estate's or trust's 2015 tax return. If the fiduciary wants to revoke the authorization before it ends, send a written statement of revocation to the Colorado Department of Revenue, Denver, CO 80261-0006. The statement of revocation must indicate that the authorization is revoked,

list the tax return, and must be signed and dated by the fiduciary or the paid preparer.

Schedule A

Enter the names and addresses of the beneficiaries. Use lines (a) through (e) for resident beneficiaries and lines (f) through (j) for nonresident beneficiaries.

Schedule B

Schedule B is used to compute the fiduciary's percentage share and each beneficiary's percentage share of the federal distributable net income. These percentages are to be used in the division of the Colorado fiduciary adjustment in Schedule D.

Schedule C

Schedule C is used to determine what part of the nonresident beneficiaries' federal distributable net income is from Colorado sources. This percentage is to be used in allocating the net estate or trust income reportable to Colorado by nonresident beneficiaries in Schedule D.

Enter in column 1 the component parts of the federal distributable net income. Enter in column 2 that part of each item from column 1 that is from Colorado sources. Interest and dividend income will not be considered to be from Colorado sources except where they arise from assets that have acquired a business situs in Colorado. Pension and annuity income is not considered to be Colorado source income.

Expenses claimed on lines 10 through 15 of federal Form 1041 will be Colorado or non-Colorado expenses depending on the source of the income to which they are assigned by the fiduciary for federal income tax purposes.

Schedule D

Schedule D is for the determination of the resident beneficiaries' share of the Colorado fiduciary adjustment, and the determination of the net estate or trust income reportable to Colorado by nonresident beneficiaries.

Enter in column 1 the social security number of each resident beneficiary.

Enter in column 2 for each resident beneficiary, the income reported on his/her federal individual income tax return as being from this estate or trust.

Enter in column 3 for each resident beneficiary, his/her percentage of the federal distributable net income as determined in Schedule B.

The Colorado fiduciary adjustment is divided among the beneficiaries and the fiduciary in proportion to their share of the federal distributable net income. Enter in column 4

each resident beneficiary's share of the Colorado fiduciary adjustment computed by applying the percentage in column 3 to the net adjustment as shown on line 6, page 1 of the return. If there is no federal distributable net income, each beneficiary's share of the Colorado fiduciary adjustment shall be in proportion to his share of the estate or trust income distributed or required to be distributed. Any balance of the Colorado fiduciary adjustment will be allocated to the fiduciary. Advise each beneficiary of his/her share of the Colorado fiduciary adjustment.

Enter in column 5 the social security number of each nonresident beneficiary.

Enter in column 6 for each nonresident beneficiary his/her share of the federal distributable net income of the estate or trust.

Enter in column 7 for each nonresident beneficiary, the percentage of federal distributable net income of the estate or trust determined to be from Colorado sources. This determination is made in Schedule C.

Enter in column 8 for each nonresident beneficiary, that part of his/her federal distributable net income from this estate or trust that is from Colorado sources determined by applying the percentage in column 7 to the income in column 6. If any other method is used to determine the beneficiary's income from Colorado sources, attach a comprehensive explanation.

Enter in column 9 for each nonresident beneficiary, 4.63% of his/her Colorado source income as listed in column 8. This is the amount to be withheld from the distribution to the beneficiary and paid to the State of Colorado as estimated tax in the name of the beneficiary on Form 104BEP. Round all amounts to the nearest dollar.

Schedule E

Schedule E is used to compute the tax of a part-year or nonresident estate or trust. Fiduciaries of part-year or nonresident estates or trusts shall compute a tentative tax as though the estate or trust were a resident estate or trust. The actual tax shall be the tentative tax apportioned in the ratio of the Colorado taxable income to the modified federal taxable income.

First complete lines 1 through 9 of Form 105 in accordance with the instructions given for full-year resident estates and trusts.

Then complete lines 1 through 3 of the federal column of Schedule E using the information from the federal Form 1041. Complete the federal column using the modifications from line 7 of Form 105.

On line 1 of Schedule E, Colorado column, enter the Colorado source income of the estate or trust. Interest, dividends, gains or losses from the sale of stocks and bonds, and pension and annuity income shall not be considered Colorado source income for a nonresident estate or trust.

Expenses shall follow the income to which they were

assigned for federal income tax purposes by the fiduciary.

The distribution deduction and the exemption deduction shall be allowed on line 2 of the Colorado column in the ratio of the federal distributable net income from Colorado sources over the total federal distributable net income.

Include the state tax deduction add back modification relating to prior years and the state tax refund subtraction modification in the Colorado column in the ratio that the estate or trust income was Colorado source income for the year to which the deduction or the refund applies.

For example, if the fiduciary paid \$2,000 state tax during 2014 for 2013, and the 2013 estate or trust income was 40% Colorado source, include 40% or \$800 on line 4 of the Colorado column.

DO NOT include the state tax deduction add back modification relating to taxes paid for the current year on line 4 of either column.

Complete Schedule E in accordance with the instructions given on the form.

Schedule F

Schedule F is used to compute the alternative minimum tax. The Colorado alternative minimum tax is the amount by which 3.47% of the Colorado alternative minimum taxable income exceeds the normal tax. The Colorado alternative minimum taxable income is the federal alternative minimum taxable income minus the federal AMT exemption and plus or minus the modifications from line 7 of Form 105. Do not include modifications that duplicate adjustments made in arriving at federal alternative taxable income.

Resident estates and trusts complete only lines 1 through 4 of the federal column and lines 7 and 8. Line 1 may be a negative amount.

The alternative minimum tax for nonresident estates and trusts is apportioned in the ratio of Colorado-source modified federal alternative minimum taxable income to the total modified federal alternative minimum taxable income. Complete lines 1 through 4 of the federal column as though the estate or trust were a resident estate or trust.

In computing the amount to enter on line 1, Colorado column, the Colorado source total income and the Colorado source allowable deductions shall be as reported on lines 1 and 2 of Schedule E, Colorado column. The federal adjustments and tax preference items shall be allocated to Colorado to the extent they relate to a business being carried on in Colorado or to income from Colorado sources. The alternative tax net operating loss deduction shall be allowed to the extent it was from Colorado sources in the year in which it arose.

The income distribution deduction, the estate tax deduction and the federal alternative minimum tax exemption deduction are allowed in the ratio of the Colorado source federal distributable net alternative minimum taxable income to the total federal distributable net alternative minimum taxable income.

Schedule G

Schedule G is used to compute any Fiduciary Tax Credits.

Credit for Tax Paid to Another State

A resident estate or trust may claim credit for income tax paid to another state on income from sources in that state (including the District of Columbia and territories or possessions of the United States).

Income from intangible assets, such as interest, dividends and gains or losses from the sale or exchange of securities, unless from a business carried on in the other state, is not considered to be from sources in the other state. The credit must be claimed on the accrual basis and is limited to the Colorado tax attributable to such income.

If taxes were paid to two or more states, a separate credit must be computed for each state. The total credit for taxes paid to other states may not exceed the Colorado tax attributable to non-Colorado source income.

If income and/or losses are received from two or more other states:

1. Complete lines 1(a) through 1(g) for each state to which taxes are paid, and
2. Complete lines 1(a) through 1(g) (enter "Combined" as name of state) combining all tax paid, income, and losses from all other states to determine the maximum credit available.
3. The credit will be the lesser of the total credits computed for each state in step 1, or the credit limitation computed in step 2. Both calculations will be submitted with your return.

Submit a copy of the tax return filed with the other state(s) at www.Colorado.gov/RevenueOnline or submit with form DR 1778. If you file a paper return you must attach the returns to your Colorado return.

Dual-Resident Trust Credit

A credit is available to a qualifying trust that is a resident trust in both Colorado and another state. Submit a copy of the tax return filed with the other state at www.Colorado.gov/RevenueOnline or submit with form DR 1778. If you file a paper return you must attach the returns to your return. We recommend that you read publication FYI Income 63 if this applies to you.

Alternative Minimum Tax Credit

Estates and trusts are allowed a credit of 12% of the federal alternative minimum tax credit for the same taxable year. Part-year/nonresident estates and trusts must apportion this credit in the ratio that the modified federal alternative minimum taxable income that gave rise to the prior year federal alternative minimum tax was considered Colorado alternative minimum taxable income. For

example, if a nonresident estate's 2014 federal alternative minimum taxable income was 30% Colorado source, its credit would be 30% of 12% of the 2014 federal credit allowed for 2013 minimum tax.

Other Credits

Enter on line 4 any other credit being claimed.

Total Credits

Line 6 is the total of all credits claimed on lines 1 through 5. The total amount entered on lines 6 and 7 may not exceed the total tax liability on line 11, Form 105.

Gross Conservation Easement Credit

Read publication FYI Income 39, and submit form DR 1305 to claim this credit.

Innovative Motor Vehicle Credit

Credits generated after 2010 are refundable (can exceed the net tax) and can be claimed on line 20 of Form 105. Credits carried forward from 2009 and prior are NOT refundable and must be claimed on line 5 of Schedule G. Be sure to complete form DR 0617 when applicable and submit a copy of your registration and bill of sale when claiming either credit. We recommend that you read publication FYI Income 67 for details.

FORM 0105 (09/08/14)
COLORADO DEPARTMENT OF REVENUE
 Denver CO 80261-0006
 www.TaxColorado.com

(0033)
2014

Colorado
Fiduciary Income Tax
Form 105



| | | | |
|------|-------------------------------|------|-------------------|
| -or- | Fiscal Year Beginning (MM/DD) | 2014 | Ending (MM/DD/YY) |
|------|-------------------------------|------|-------------------|

Mark box here if this is a:

Final Return
 Amended Return

| | | | | |
|-------------------------|------|-------|-----|---|
| Name of estate or trust | | | | Colorado Account Number |
| Name of fiduciary | | | | FEIN |
| Address | City | State | ZIP | Date estate or trust created (MM/DD/YY) |

With respect to the tax year, did or will the estate or trust distribute more than \$1,000 in Colorado source income to nonresident beneficiaries? (mark one)

Yes No

Round All Amounts to the Nearest Dollar.

| | | |
|--|-----------|----|
| 1. Federal taxable income, line 22, federal Form 1041 | 1 | 00 |
| 2. Additions to federal taxable income Explain: | 2 | 00 |
| 3. Colorado Marijuana Business Deduction | 3 | 00 |
| 4. Subtractions from federal taxable income Explain: | 4 | 00 |
| 5. Net modifications: line 2 minus line 3 and 4 | 5 | 00 |
| 6. Net modifications allocated to beneficiaries | 6 | 00 |
| 7. Net modifications allocated to the estate or trust, line 5 minus line 6 | 7 | 00 |
| 8. Colorado taxable income of the estate or trust, line 1 plus or minus line 7 | 8 | 00 |
| 9. Normal Tax, 4.63% of the amount on line 8. Nonresident estates or trusts enter tax from line 8, Schedule E | 9 | 00 |
| 10. Alternative minimum tax from line 8, Schedule F | 10 | 00 |
| 11. Total of lines 9 and 10 | 11 | 00 |
| 12. Credits from line 6, Schedule G | 12 | 00 |
| 13. Gross conservation easement credit | 13 | 00 |
| 14. Total Enterprise Zone credits - as calculated, or from DR 1366 line 77 | 14 | 00 |
| 15. Total of lines 12 through 14, this total cannot exceed line 11 | 15 | 00 |
| 16. Net tax, line 11 minus line 15 | 16 | 00 |
| 17. Estimated tax payments and credits | 17 | 00 |



| | | |
|---|------|----|
| 18. Colorado income tax withheld from wages | ● 18 | 00 |
| 19. W-2G withholding from lottery winnings | ● 19 | 00 |
| 20. Innovative Motor Vehicle Credit from line 36 Form DR 0617 | ● 20 | 00 |
| 21. Authorized instream flow incentive credit | ● 21 | 00 |
| 22. Sum of lines 17 through 21 | 22 | 00 |
| 23. Penalty, also include on line 25 if applicable | ● 23 | 00 |
| 24. Interest, also include on line 25 if applicable | ● 24 | 00 |
| 25. If amount on line 16 exceeds amount on line 22, enter amount owed. Pay online: <i>www.Colorado.gov/RevenueOnline</i> (or make checks payable to Colorado Department of Revenue) | ● 25 | 00 |
| 26. If line 22 is larger than line 16, enter overpayment | 26 | 00 |
| 27. Overpayment to be credited to 2015 estimated tax | ● 27 | 00 |
| 28. Overpayment to be refunded | ● 28 | 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 under penalty of perjury in the second degree, that this return is true, correct and complete to the best of my knowledge and belief. Declaration of preparer is based on all information of which the preparer has any knowledge.

Submit to www.Colorado.gov/RevenueOnline or mail to: Colorado Department of Revenue Denver CO 80261-0006

Signature of fiduciary or officer representing fiduciary Date (MM/DD/YY)

Person or firm preparing return Phone Number Date (MM/DD/YY)
 ● ()

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.





Form 105 Schedule

Note: If any Income Distribution Deduction was claimed for Federal Tax purposes, this page must be complete.



| | |
|------|----------------|
| Name | Account Number |
|------|----------------|

Schedule A—Names and Addresses of Beneficiaries—Use lines (a) through (e) for resident beneficiaries

| |
|-----|
| (a) |
| (b) |
| (c) |
| (d) |
| (e) |

— Use lines (f) through (j) for nonresident beneficiaries

| |
|-----|
| (f) |
| (g) |
| (h) |
| (i) |
| (j) |

Schedule B—Computation of the shares of the Colorado fiduciary adjustment. The Colorado fiduciary adjustment is to be allocated among the beneficiaries and the fiduciary in proportion to their share of the federal distributable net income.

| Beneficiary as per schedule A | Share of federal distributable net income | |
|----------------------------------|---|---------|
| | Amount | Percent |
| (a) | \$ | % |
| (b) | | % |
| (c) | | % |
| (d) | | % |
| (e) | | % |
| (f) | | % |
| (g) | | % |
| (h) | | % |
| (i) | | % |
| (j) | | % |
| Subtotal | \$ | % |
| Fiduciary | | % |
| Total | \$ | 100% |





Form 105 Schedule



Schedule C—Computation of the percentage of federal distributable net income from Colorado sources for use in Schedule D, columns 7 and 8, in determining the modified federal income reportable to Colorado by nonresident beneficiaries.

| | 1. Per Federal Form 1041 | | 2. From Colorado Sources | |
|--|--------------------------|--|-------------------------------|----|
| 1. Dividends | \$ | | \$ XXXXXXXXXXXXXXXXXXXXXXXXXX | XX |
| 2. Interest (Include exempt interest) | | | \$ XXXXXXXXXXXXXXXXXXXXXXXXXX | XX |
| 3. Partnership/Fiduciary income | | | | |
| 4. Net rents and royalties | | | | |
| 5. Net profit (loss) business | | | | |
| 6. Other income | | | | |
| 7. Total lines 1 through 6 | \$ | | \$ | |
| 8. Expenses | | | | |
| 9. Federal distributable net income | \$ | | \$ | |
| 10. Percent of federal distributable net income from Colorado sources: (Line 9, column 2 divided by line 9, column 1) | | | | % |

Form 105 Schedule

Schedule D—Beneficiaries Social Security Numbers, Income, Modifications and Withholding

| 1. Resident Beneficiary's Social Security Number | 2. Federal Fiduciary Income | | 3. Schedule B Percentage | 4. Fiduciary Adjustment | |
|---|-------------------------------------|--|--------------------------|----------------------------------|---|
| (a) | \$ | | % | \$ | |
| (b) | \$ | | % | \$ | |
| (c) | \$ | | % | \$ | |
| (d) | \$ | | % | \$ | |
| (e) | \$ | | % | \$ | |
| 5. Nonresident Beneficiary's Social Security Number | 6. Federal Distributable Net Income | | 7. Schedule C Percentage | 8. Income Reportable to Colorado | 9. Colo. Withholding Required 4.63% of Column 8 |
| (f) | \$ | | % | \$ | \$ 00 |
| (g) | \$ | | % | \$ | \$ 00 |
| (h) | \$ | | % | \$ | \$ 00 |
| (i) | \$ | | % | \$ | \$ 00 |
| (j) | \$ | | % | \$ | \$ 00 |





Form 105 Schedule



| | |
|------|----------------|
| Name | Account Number |
|------|----------------|

| Schedule E—Part-Year Resident/Nonresident Estate or Trust Apportionment Schedule | | | | |
|---|----------------|----------|-----------------|----|
| | Federal Column | | Colorado Column | |
| 1. Income, specify type: | | 00 | | 00 |
| | | 00 | | 00 |
| | | 00 | | 00 |
| | | 00 | | 00 |
| | | 00 | | 00 |
| | | 00 | | 00 |
| Total Income | 1 | 00 | | 00 |
| 2. Deductions, specify: | | 00 | | 00 |
| | | 00 | | 00 |
| | | 00 | | 00 |
| | | 00 | | 00 |
| | | 00 | | 00 |
| | | 00 | | 00 |
| Total Deductions | 2 | 00 | | 00 |
| 3. Taxable income, line 1 minus line 2 | 3 | 00 | | 00 |
| 4. Modifications from line 7, Form 105 | 4 | 00 | | 00 |
| 5. Modified taxable income, line 3 plus or minus line 4 | 5 | 00 | | 00 |
| 6. Amount on line 5, Colorado column divided by amount on line 5, federal column | | 6 | | % |
| 7. 4.63% of the amount on line 8, form 105 | | 7 | | 00 |
| 8. Amount on line 7 multiplied by percentage on line 6, enter here and on line 9, Form 105 | 8 | | | 00 |





Form 105 Schedule

7

| Schedule F—Fiduciary Alternative Minimum Tax Computation Schedule | | | | | |
|---|--|----------------|----|-----------------|----|
| | | Federal Column | | Colorado Column | |
| 1. | Fiduciary's share of federal alternative taxable income minus federal AMT exemption | 1 | 00 | | 00 |
| 2. | Modifications from line 7, Form 105 | 2 | 00 | | 00 |
| 3. | Line 1 plus or minus line 2 | 3 | 00 | | 00 |
| 4. | 3.47 % of the amount on line 3, federal column | 4 | 00 | | |
| 5. | Part-year/Nonresident estate or trust only , amount on line 3, Colorado column divided by amount on line 3, federal column | 5 | | | % |
| 6. | Part-year/Nonresident estate or trust only , amount on line 4 multiplied by percentage on line 5 | 6 | | | 00 |
| 7. | Enter normal tax from line 9, Form 105 | 7 | | | 00 |
| 8. | Resident estate or trust enter amount by which line 4 exceeds line 7. Nonresident estate or trust enter amount by which line 6 exceeds line 7. Enter here and on line 10, Form 105 | 8 | | | 00 |



Form 105 Schedule



| Schedule G—Fiduciary Credit Schedule | | |
|---|-------------|----|
| 1. Credit for income tax paid to the state of: <input type="text"/> Compute a separate credit for each state. Attach a copy of the tax return filed with the other state. | | |
| (a) Total tax from line 11, page 1, Form 105 | 1(a) | 00 |
| (b) Modified federal taxable income from sources in the other state | 1(b) | 00 |
| (c) Total modified federal taxable income | 1(c) | 00 |
| (d) Amount on line 1(b) divided by amount on line 1(c) | 1(d) | % |
| (e) Amount on line 1(a) multiplied by percentage on line 1(d) | 1(e) | 00 |
| (f) Tax liability to other state | 1(f) | 00 |
| (g) Allowable credit the smaller of lines 1(e) or line 1(f) | 1(g) | 00 |
| 2. Dual Resident Trust Credit for the state of: <input type="text"/> Attach a copy of the tax return filed with the other state. | | |
| (a) Colorado tax on income subject to tax in both states | 2(a) | 00 |
| (b) Other state's effective tax rate | 2(b) | % |
| (c) Total of both states' tax rates, line 2(b) plus 4.63% | 2(c) | % |
| (d) Percentage of credit, line 2(b) divided by line 2(c) | 2(d) | % |
| (e) Total credit, line 2(a) multiplied by percentage on line 2(d) | 2(e) | 00 |
| 3. Credit for prior year alternative minimum tax. See instructions | 3 | 00 |
| 4. Other credits, explain: <input type="text"/> | 4 | 00 |
| 5. Nonrefundable alternative fuel vehicle credit carried forward from 2009 | 5 | 00 |
| 6. Total credits. Add lines 1(g), 2(e), 3, 4 and 5. Enter here and on line 12, Form 105 | 6 | 00 |
| 7. Gross conservation easement credit. Attach a copy of form DR 1305. Enter here and on line 13, Form 105 | 7 | 00 |





| | |
|------|----------------|
| Name | Account Number |
|------|----------------|

Form 105 Schedule

Schedule G—Fiduciary Credit Schedule (continued)

Credits to be Carried Forward to 2015:

Limitation: Most credits reported on this Schedule G are nonrefundable. Consequently, the total credits utilized from this schedule may not exceed the total tax reported on line 11 of your income tax return, Form 105. Enter on lines 1(a) through 7 only the amount(s) of the credit(s) to be applied against your 2014 liability. Most unused 2014 credits can be carried forward to tax year 2015. If the total credits available exceed the total tax due for 2014, list the credit type(s) and excess amount(s) above under “Credits to be Carried Forward to 2015.”



2015 Colorado Nonresident Beneficiary Estimated Income Tax Payment Voucher

Withholding For Nonresident Beneficiaries

Every fiduciary of an estate or trust, with a nonresident beneficiary who receives net income from real or tangible personal property within Colorado, shall withhold and pay taxes to the Department of Revenue out of the income to be distributed to such nonresident beneficiary.

The amount to be withheld is 4.63% of the beneficiary's share of this income, computed without exemption, unless the nonresident beneficiary files a timely return of this total

income from sources within Colorado, in which case the fiduciary shall withhold and pay only the amount of tax disclosed by the beneficiary's return.

Use Form 104BEP on this page to make the payment. File Form 104BEP using the name, address and social security number of the beneficiary. Photocopy additional copies of Form 104BEP as needed. Payment is due at the time the income is distributed.



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(0068)

FORM 104BEP (07/16/14)
COLORADO DEPARTMENT OF REVENUE
Denver CO 80261-0008
www.TaxColorado.com

2015 Colorado Nonresident Beneficiary Estimated Income Tax Payment Voucher Payment for Nonresident Beneficiary

Return this voucher with check or money order payable to the Colorado Department of Revenue, Denver, Colorado 80261-0008. Write the beneficiary's Social Security number and "2015 Form 104BEP" on the check or money order. Do not send cash. File only if you are making a payment. Submit a separate check or money order for each document. Payment is due at the time the income is distributed.

| | | | | |
|-------------------------|-------|------------|-----|----------------|
| Beneficiary's Last Name | | First Name | | Middle Initial |
| Address | | | SSN | |
| 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)

Amount of Payment

\$.00



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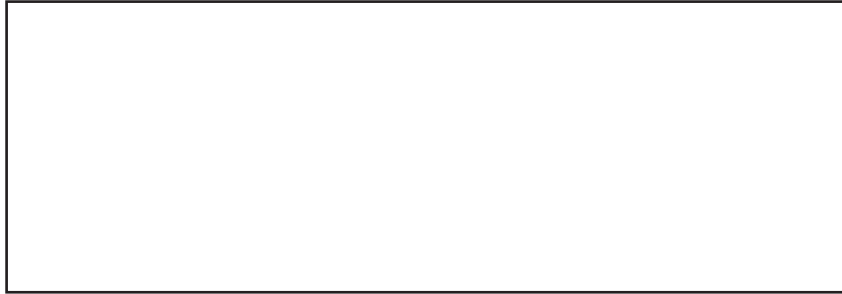
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Example of the computation of Fiduciary Colorado tax, resident beneficiary's Colorado Fiduciary adjustment, and nonresident beneficiary's Colorado source income.

The federal Form 1041 for the John Smith estate showed the following items of income and deduction:

| | |
|---|----------------|
| 1. Interest income | \$32,614 |
| 2. Dividends | 4,800 |
| 5. Net rent income (Colo.)..... | <u>16,832</u> |
| 9. Total income..... | \$54,246 |
| 12. Fiduciary Fees | \$6,000 |
| 14. Accountant's Fee | <u>1,500</u> |
| 16. Total | <u>\$7,500</u> |
| 17. Adjusted total income..... | \$46,746 |
| 18. Income distribution deduction | \$34,189 |
| 20. Exemption | <u>600</u> |
| 21. Total | \$34,789 |
| 22. Taxable income..... | \$11,957 |

The estate also had \$2,476 in non-Colorado municipal bond interest income during the tax year. \$24,000 was distributed to Alice Smith, a Colorado resident and \$12,000 to John Smith, Jr., a nonresident of Colorado. The estate had \$8,700 in U. S. Government interest.

The shares of the federal distributable net income are as follows:

| | | |
|-------------------|---------------|---------------|
| Alice Smith | \$24,000 | 48.76% |
| John Smith, Jr. | 12,000 | 24.38% |
| John Smith Estate | <u>13,222</u> | <u>26.86%</u> |
| Totals | \$49,222 | 100.00% |

The Colorado tax of the estate is determined as follows:

| | |
|---|------------------|
| 1. Federal taxable income | \$11,957 |
| 2. Modifications increasing federal income: | |
| Local bond interest | \$2,476 |
| 3. Colorado marijuana business deduction | |
| 4. Modifications decreasing federal income: | |
| Federal bond interest..... | <u>\$8,700</u> |
| 5. Net modifications | <u>\$(6,224)</u> |
| 7. Allocated to the estate @ 26.86%..... | \$(1,672) |
| 8. Taxable income | \$10,285 |
| 9. Tax | \$476 |

Alice Smith's share of the Colorado fiduciary adjustment is computed as follows:

| | |
|---|--------------|
| Share of local bond interest @ 48.76% | \$1,207 |
| Share of U. S. interest @ 48.76%..... | <u>4,242</u> |
| Net modification | \$(3,035) |

John Smith, Jr. income reportable to Colorado is determined as follows:

| | |
|---|----------|
| Share of distributable net income | \$12,000 |
| From Colorado sources at 29.67% | \$3,561 |

Colorado source income is computed as follows:

| | |
|--|----------|
| <u>Rental income (Colorado) \$16,832</u> | |
| Total income \$56,722 | = 29.67% |

This can be verified as follows:

| | |
|---|-----------|
| <u>John, Jr. share of income \$12,000</u> | |
| Distributable net income \$49,222 | = 24.38% |
| Share of rental income \$16,832 x 24.38% | = \$4,104 |
| Share of fees \$7,500 x 24.38% x 29.67%* | = 543 |
| Net Colorado income | \$3,561 |

* Share of fees allocated to rental income