

SCHEDULE K-1VT-F

Beneficiary Information for Fiduciaries

Please print in **BLUE** or **BLACK** ink only.

General Information

Schedule K-1VT-F reports the Vermont-source income earned by a trust or an estate that is passed through to the beneficiaries. In general, trusts and estates should include a Schedule K-1VT-F for each beneficiary with their Fiduciary Return of Income (Form FIT-161).

The fiduciary of a grantor trust is required to file with the Department an information return, Form FIT-161, along with a Schedule K-1VT-F indicating the items of income, deduction, and credits against tax attributable to the trust treated as owned by the grantor/owner and send a copy of the Schedule K-1VT-F to the grantor/owner, who is required to report the income, deductions, and credits on their individual Vermont income tax return.

Every fiduciary must provide each beneficiary with a copy of their Schedule K-1VT-F on or before the due date of Form FIT-161.

For detailed information on filing requirements and definitions of income and residency, refer to the following:

- Title 32, Vermont Statutes Annotated, § 5811, § 5823, § 5861

COMPLETE A SEPARATE SCHEDULE K-1VT-F FOR EACH BENEFICIARY.

Above the Header Information – REQUIRED ENTRIES

Enter the begin and end dates of the fiscal year of the trust or estate filing the return.

Enter the Trust or Estate Name and Federal ID Number of the trust or estate filing the return.

Header Information – REQUIRED ENTRIES

All information in the Header Section is required. Failure to correctly complete this information will result in processing delays and/or late filing penalties for your return.

Name, Address, ID Number

If the beneficiary is an entity other than an individual, enter the Entity Name of the beneficiary, and its Federal I.D. Number. If the beneficiary is an individual, enter the Individual Last Name, First Name, and Middle Initial, and his/her Social Security Number.

Enter the complete address of the beneficiary.

Enter the Foreign Country for the beneficiary if other than the United States.

Recipient Type:

I - Individual (including Grantor Trusts that report directly on an individual income tax return, as opposed to filing a fiduciary return)

C - C-Corporation, 501(c)(3)

S - S-Corporation

L - Limited Liability Company (not a disregarded entity)

P - Partnership

T - Trust (filing a fiduciary return)

X – Exempt Organization - If the beneficiary is an exempt entity, not subject to income taxation (such as an ESOP or nonprofit to which this income is **not** characterized as unrelated business income). Provide a statement of the name(s) and FEIN(s), and description of why or authority by which they are exempt from income taxation.

Residency Status

Check the appropriate box to indicate the residency status of the beneficiary. Review 32 V.S.A. § 5811 if necessary.

Percentage of Entity's income or loss to this recipient

Enter the percentage of the entity's Vermont sourced income distributed or allocable to this beneficiary, written as a percent, and calculated to two places to the right of the decimal point. (So, for example, exactly 5% would be written as 5.00%.)

Line-By-Line Instructions

Vermont Resident Beneficiary

Line 1 **Beneficiary's Income** - Enter this beneficiary's share of Vermont Fiduciary Income.

Line 2 Enter interest/dividends from obligations of other states.

Line 3 Enter interest/dividends from U.S. obligations.

Vermont Nonresident Beneficiary

Line 4 Enter Nonresident Beneficiary information on Lines 4a through 4h, with total income on Line 4i.

Line 5 **Total annual nonresident estimated payments allocated to this beneficiary** - If this beneficiary is a Vermont resident, enter 0.

If this beneficiary is a nonresident, enter the amount of nonresident estimated payments allocated to this beneficiary from a K-1VT received due to the trust's ownership in another pass-through entity. These payments are made via Form WH-435 from the pass-through entity.

Line 6 **Total annual real estate withholding payments allocated to this beneficiary** - If this beneficiary is a Vermont resident, enter 0.

If this beneficiary is a nonresident, enter the amount of any real estate withholding payments allocated to this beneficiary. Real estate withholding would have been paid by the buyer of Vermont real estate this trust or estate sold in this fiscal year, and reported on Form RW-171, Schedule A, or may have been distributed to this entity from such a seller of which this entity is an owner via Schedule K-1VT.

Line 7 Enter the beneficiary's allocation of any other withholding payments made by this Trust/Estate, such as 1099 withholdings.

Notes for trusts and estates

If the beneficiary does not file a Vermont income tax return, provide information for the beneficiary who will file a return. Include a statement that identifies the estate or trust.

Examples:

- A)** The beneficiary is a single-member LLC owned by an individual that reports all activity on Federal Form 1040, Schedule C. Provide the name and SSN of the individual filing Schedule C, and indicate “T” in the recipient type box.
- B)** The beneficiary is a single-member LLC owned by a C-Corporation. Provide the corporation’s name and FEIN, and indicate “C” in the recipient type box.
- C)** The beneficiary is a trust that reports all activity directly on the beneficiary’s individual income tax return. Provide the name and SSN of the individual on whose return the trust is reported, and indicate “T” in the recipient type box.
- D)** The beneficiary is a trust which files a fiduciary return with Vermont. Provide the entity name and the FEIN of the trust. Indicate “T” in the recipient type box.

For assistance, call (802) 828-6820.