

# Pass-Through Entity Tax (PTET) Worksheet

for Tax Year 2022

Name on Form 1065N or Form 1120-SN

Nebraska ID Number

Type of Eligible Entity

Partnership

S Corporation

<b>1</b> Income reported to Nebraska (from line 5, Form 1065N or Form 1120-SN) .....	<b>1</b>		00
<b>2</b> Electing pass-through entity tax (PTET) for tax year 2022 (line 1 multiplied by .0684) .....	<b>2</b>		00
<b>3</b> Premium tax credit (see instructions – attach schedule).....	<b>3</b>		00
<b>4</b> Employer’s credit for expenses incurred for TANF (ADC) recipients (see instr.) .....	<b>4</b>		00
<b>5</b> Form 3800N nonrefundable credit (attach Form 3800N) .....	<b>5</b>		00
<b>6</b> Total nonrefundable credits (total of lines 3 through 5).....	<b>6</b>		00
<b>7</b> Nebraska PTET for tax year 2022 after nonrefundable credits. Subtract line 6 from line 2 (if line 6 is more than line 2 enter -0-).....	<b>7</b>		00
<b>8</b> PTET for tax years 2018 through 2021(Enter total due from Form PTET-E for tax years 2018 through 2022).....	<b>8</b>		00
<b>9</b> Nebraska tax after nonrefundable credits (line 7 plus line 8) (Enter here and on line 7, Form 1065N or Form 1120-SN.) .....	<b>9</b>		00
<b>10</b> Income reported to Nebraska subject to withholding (line 9 divided by .0684) (Enter here and on line 6, Form 1065N or Form 1120-SN.) .....	<b>10</b>		00
<b>Refundable Credits</b>			
<b>11</b> Beginning Farmer credit.....	<b>11</b>		00
<b>12</b> Nebraska income tax withheld (attach Form 1099-NEC) (see instructions).....	<b>12</b>		00
<b>13</b> PTET credit received from a partnership (attach Schedules K-1N)..... a Name: _____ b Nebraska ID Number _____ c Amount: \$ _____ (Attach a schedule if the credit was received from more than one partnership.) .....	<b>13</b>		00
<b>14</b> Total refundable credits (total lines 11 through 13 and enter here) (Add this amount to any Form 3800N refundable credits and enter the total on line 8, Form 1065N or Form 1120-SN.).....	<b>14</b>		00

## 2022 Pass-Through Entity Tax (PTET) Worksheet Instructions

**Who May File.** This form may be filed by an eligible partnership or S corporation that elected to be subject to income tax under Neb. Rev. Stat. §§ 77-2727(6) or 77-2734.01(8) for the 2022 tax year (electing entity).

**When and Where to File.** This worksheet must be filed with the electing entity's original Form 1065N or Form 1120-SN. If the electing entity has already filed its original Nebraska return, it cannot use this worksheet and any Nebraska PTET for 2022 must be computed on a Pass-Through Entity Tax (PTET) Election for Tax Years 2018 Through 2022, Form PTET-E.

**What to File.** The electing entity must also submit the following schedules with its 2022 Nebraska return if it deducted the Nebraska PTET on its 2022 federal income tax return.

- Nebraska Schedule PTET – Partner's Share of Nebraska Pass-Through Entity Tax, Form 1065N or Nebraska Schedule PTET - Shareholder's Share of Nebraska Pass-Through Entity Tax, Form 1120-SN; and
- Nebraska Schedule K-1N for each partner or shareholder. The PTET paid and deducted on the federal return should be entered on line 21, Nebraska income tax withheld, Schedule K-1N, Form 1065N or on line 20, Nebraska income tax withheld, Schedule K-1N, Form 1120-SN.

If the electing entity did not deduct the Nebraska PTET on its 2022 federal return, a Nebraska Schedule PTET should not be attached to its 2022 return and the 2022 Schedules K-1N should not include any PTET credit. The Nebraska Schedule PTET would be completed and attached to the electing entity's Nebraska return for the year the Nebraska PTETs paid are deducted on its federal return and the Schedules K-1N would include the PTET credit for that same year.

**Other Information.** All taxes imposed by the Nebraska Revenue Act of 1967 deducted on the electing entity's 2022 federal return under IRC §164, must be added back in computing the partner's distributive share or shareholder's pro rata share and in computing the PTET. This includes income, sales, and use taxes imposed by Nebraska and any of its political subdivisions.

### How to Complete Form PTET-E Worksheet

**Type of Eligible Entity.** Check the box corresponding to the type of eligible entity that made the election. An eligible partnership includes any entity, including a limited liability company (LLC), treated as a partnership for federal income tax purposes. An eligible partnership does not include a publicly traded partnership. An eligible S corporation is any entity subject to taxation under subchapter S of the IRC and related Treasury Regulations.

**Line 1 Income Reported to Nebraska Income.** Enter the electing entity's Nebraska income reported on line 5, Form 1065N or 1120-SN.

**Line 2 Electing Pass-Through Entity Tax (PTET) for Tax Year 2022.** Enter the result of line 1 multiplied by 6.84% (.0684).

**Line 3 Premium Tax Credit.** Enter the total premium taxes paid (not accrued) by the partnership or S corporation during its 2022 tax year. For additional information see the [Nebraska Corporation Income Tax Booklet](#).

**Line 4 Employer's Credit for Expenses Incurred for TANF (ADC) Recipients.** Enter the total credit from line 2, [Form TANF](#).

**Line 5 Form 3800N Nonrefundable Credit.** Enter the total nonrefundable tax credits reported on the Nebraska Incentives Credit Computation, Form 3800N.

**PTET Tax and Refundable Credits.** The original Forms 1065N and 1120-SN for the 2022 tax year were developed before Nebraska law allowed a partnership or S corporation to elect to pay income tax at the entity level. The Nebraska Department of Revenue will allow an electing entity that has not yet filed its original 2022 Nebraska return to use that return to report the PTET for 2018 through 2022. The electing entity must complete lines 9 through 14 of this worksheet and its 2022 Form 1065N or 1120-SN as follows:

**Line 9 Nebraska Tax After Nonrefundable Credits.** Enter the sum of lines 7 and 8 on line 9, Form PTET-E Worksheet and on line 7, Form 1065N or 1120-SN.

**Line 10 Income Reported to Nebraska Subject to Withholding.** Enter the product of line 9 divided by .0684 on line 10, Form PTET-E Worksheet and on line 6, Form 1065N or 1120-SN.

**Line 11 Beginning Farmer Credit.** Enter the amount of Beginning Farmer credit from the Statement of Nebraska Tax Credit, Form 1099BFC. For additional information see the Nebraska Corporation Income Tax Booklet.

**Line 12 Nebraska Income Tax Withheld.** Enter the amount of Nebraska withholding from Form 1099-NEC. For additional information see the Nebraska Corporation Income Tax Booklet.

**Line 14 Total Refundable Credits.** Enter the sum of lines 11 through 13 on line 14, Form PTET-E Worksheet. Add the amount from line 14, Form PTET Worksheet to any Form 3800N refundable credits and enter the total on line 8, Form 1065N or Form 1120-SN.