

# Client Checklist — Partnership Return (Form 1065)

Tax Year: \_\_\_\_\_ Entity Legal Name: \_\_\_\_\_  
EIN: \_\_\_\_\_ State of formation: \_\_\_\_\_ Business address: \_\_\_\_\_  
Tax Matters Partner/Partnership Rep: \_\_\_\_\_ Phone/Email: \_\_\_\_\_

Return type:  Original  Amended  Final  Short-year (dates: //\_\_\_\_ to //\_\_\_\_)  
Accounting method:  Cash  Accrual  Other: \_\_\_\_\_ Books basis:  Tax  GAAP  
 Other  
Tax year:  Calendar  Fiscal (year end: /)

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## 1) Admin / Setup (Provide new client or changed preparer)

- Prior-year **Form 1065** + all schedules (K-1s, M-1/M-2, K-2/K-3 if filed)
  - Federal/state notices received (IRS/State letters)
  - Entity formation documents (partnership agreement/operating agreement)
  - EIN confirmation letter (CP 575) (if available)
  - State registrations / SOS filing info
  - List of states where the partnership did business or had nexus: \_\_\_\_\_
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## 2) Owners / K-1 Information (Partners)

For each partner (attach a schedule if needed):

- Name, address, SSN/ITIN/EIN
- Entity type:  Individual  Corp  S-Corp  Partnership  Trust  Foreign
- Ownership % (profit/loss/capital) at **beginning** and **end** of year
- Capital account method used on K-1 (if known):  Tax basis  GAAP  704(b)  Other
- Did any partner contribute property/services? (details + basis/FM V)
- Partner loans to/from partnership (begin/end balances, terms, interest)
- Guaranteed payments (amounts, description)
- Distributions (cash, property) with dates/amounts
- Changes in ownership during the year (sales, redemptions, new partners)
- Foreign partners? (withholding/Forms 8804/8805 considerations)

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### **3) Income (Attach detail by category)**

- Gross receipts/sales (by month if possible)
- 1099-K / 1099-NEC / 1099-MISC received (all copies)
- Returns/allowances, discounts
- Interest income
- Rental income (if applicable) by property
- Royalties
- Other income (credits/rebates, PPP/ERC items if any, insurance proceeds, etc.)

**If inventory/cost of goods sold applies:**

- Beginning inventory
  - Purchases (less personal use)
  - Cost of labor (direct)
  - Materials & supplies
  - Ending inventory (method:  cost  lower of cost/market  other)
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### **4) Expenses (Provide totals + supporting detail)**

Common categories (check what applies):

- Advertising
- Bank charges / merchant fees
- Contract labor (provide W-9s/1099 filings summary)
- Depletion (if applicable)
- Depreciation (provide fixed asset schedule)
- Employee benefit programs
- Insurance (liability, workers comp, etc.)
- Interest expense (business loans/LOC)
- Legal & professional
- Office expense
- Pension/profit-sharing plans
- Rent/lease (vehicles/equipment/office)

- Repairs & maintenance
- Supplies
- Taxes & licenses
- Travel (business purpose documentation)
- Meals (business meals; document who/where/why)
- Utilities
- Wages (provide payroll reports)
- Other deductions (attach detail)

**Owner/partner items:**

- Guaranteed payments detail (who/amount/type)
  - Partner health insurance paid by partnership (if applicable)
  - Partner retirement contributions (if applicable)
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## **5) Payroll (If partnership has employees)**

- Quarterly payroll reports (Forms 941) and state filings
  - Annual forms: W-2/W-3, 940, state unemployment reconciliations
  - Payroll provider year-end summary
  - Employer-paid benefits detail (health, HSA, retirement)
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## **6) Fixed Assets & Depreciation**

- Beginning-of-year depreciation schedule
  - Asset purchases: date placed in service, cost, description, business use %
  - Disposals/sales/trade-ins: date sold, proceeds, original cost, accumulated depreciation
  - Section 179/bonus depreciation elections desired?  Yes  No
  - Listed property details (vehicles, etc.) with mileage logs where applicable
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## **7) Balance Sheet & Reconciliation (Bookkeeping)**

Provide **year-end financials** (and preferably prior year comparatives):

- Profit & Loss (income statement)
  - Balance Sheet
  - General ledger / trial balance (if available)
  - Bank statements (all accounts) and year-end reconciliations
  - Credit card statements and year-end reconciliations
  - Loan statements (principal/interest split) and new debt agreements
  - A/R and A/P aging (if accrual)
  - Inventory records (if applicable)
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## 8) Capital Accounts, Contributions, Distributions

- Partner capital roll forward (begin capital + contributions + income/loss – distributions = end capital)
  - Documentation for:
    - Cash contributed
    - Property contributed (basis, FMV, date, 704(c) info)
    - Cash/property distributions
    - Debt allocations changes (recourse/nonrecourse, if tracked)
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## 9) Other Tax Items (Often Missed)

- State/local taxes paid (income/franchise, gross receipts, city taxes)
  - Business use of home reimbursements/accountable plan (if used)
  - Related-party transactions (rent, interest, management fees, purchases/sales)
  - Charitable contributions (if any)
  - Political contributions (if any)
  - Penalties/fines (track separately—often nondeductible)
  - Start-up/organizational costs (new entities)
  - Research credits / other credits (documentation)
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## **10) State & Local Filing Needs**

- States where partnership filed/needs to file: \_\_\_\_\_
  - Composite return elections?  Yes  No (list states: \_\_\_\_\_)
  - Nonresident partner withholding requirements met?  Yes  No
  - City/local business tax filings (if applicable)
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## **11) International / K-2 & K-3 (If applicable)**

- Foreign-source income details
  - Foreign taxes paid/accrued
  - Foreign partners or owners
  - Foreign assets, foreign branches, or foreign disregarded entities
  - Forms received: 1042-S, foreign statements
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## **12) Final Return / Ownership Changes (If applicable)**

- Final year operations end date
  - Partner buyout/sale agreements
  - Liquidating distributions detail
  - Closing books and final balance sheet
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## **13) E-file / Signatures / Deliverables**

- Authorized signer name/title: \_\_\_\_\_
  - Signed e-file authorizations (as applicable)
  - Preferred K-1 delivery:  Secure portal  Email (if permitted)  Paper
  - Due date reminders: Partnership return and K-1s (confirm extensions if needed)
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## **Quick Questions (Yes/No)**

- Any new bank accounts, credit cards, or loans this year?
- Any partners added/left or ownership % changed?
- Any large asset purchases or disposals?
- Any income in other states?
- Any foreign activity or foreign partners?