

Client EX3-LLC

Example LLC (MTM GAIN)

98-7999998

2/19/12

10:15AM

EX3-LLC

Example LLC.

2011 trader tax status: Number of trades per day 2-3. Average holding period will be less than 10 minutes, so mostly daytrades; rarely overnight. Pattern day trader. Hours per day 10-12, including full market hours. Trading equities, options and futures. Mostly stock options. 100k account size. Intention to run a trading business. Has a home office, has tools and has not decided on platform; will be a direct access platform. Trader Status for 2011 return.

One IB trading account in LLC name, with over 1,400 RT trades and \$3.8 million in proceeds from May to December.

Internally elected MTM on 5/16/10. No 3115 or 481 since first time filer.

Taxpayer wanted to maximize the 401K contribution for 2011, so an Administration fee of \$171,415 was required for this.

Individual 401(k) Contribution Calculation - for a sole proprietorship, partnership or a single member LLC taxed as a sole proprietorship:

Salary Deferral Contribution -

Although the term salary deferral is used, these businesses do not provide a W-2 salary to the business owner. For businesses of this type, the salary deferral contribution is based on net adjusted business profit. Net adjusted business profit is calculated by taking gross self employment income and then subtracting business expenses and then subtracting 1/2 of the self employment tax. In 2011, 100% of net adjusted business profits income up to the maximum of \$16,500 or \$22,000 if age 50 or older can be contributed in salary deferrals into an Individual 401(k).

Profit Sharing Contribution -

A profit sharing contribution can be made up to 20% of net adjusted businesses profits. Net adjusted business profit is calculated by taking gross self employment income and then subtracting business expenses and then subtracting 1/2 of the self employment tax. You will want to ask your tax professional for assistance with this calculation.

For a taxpayer, under the age of 50, who is a successful trader and wants to max out his/her 401(k) plan for 2011 for his/her partnership or multi-member LLC, then an Administration Fee of \$171,415 needs to be paid to him/her from the entity.

\$16,500 of salary deferrals (Taxable 1099 MISC Self-Employment earnings (box 7 of 1099 MISC) would be \$171,415) \$16,500 deferral amount + \$32,500 profit sharing contribution

= \$49,000 Total 401k contribution. Profit sharing portion is calculated as follow:  
\$171,415 - \$8,917 (1/2 SE tax) = 162,498 x 20%  
= \$32,500.

Since Member 1 and Member 2 are related individuals, they constructively own 100% of the entity's profits and loss, this is the reason why the Schedule B shows 100% ownership for both members.

Form **1065**Department of the Treasury  
Internal Revenue Service**U.S. Return of Partnership Income**  
For calendar year 2011, or tax year beginning 5/16, 2011,  
ending 12/31, 20 11.  
▶ See separate instructions.

OMB No. 1545-0099

**2011**

<b>A</b> Principal business activity  <u>Trading</u>	<b>Print or type.</b>	<u>Example LLC (MTM GAIN)</u> <u>Any Street</u> <u>Houston, TX 77001</u>	<b>D</b> Employer identification number  <u>98-7999998</u>
<b>B</b> Principal product or service <u>Sec. &amp; Comm.</u>			<b>E</b> Date business started <u>5/16/2011</u>
<b>C</b> Business code number <u>523110</u>			<b>F</b> Total assets (see instrs) <u>\$ 87,538.</u>

**G** Check applicable boxes: (1) ☒ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change (5) ☐ Amended return  
(6) ☐ Technical termination — also check (1) or (2)

**H** Check accounting method: (1) ☐ Cash (2) ☐ Accrual (3) ☒ Other (specify) ▶ Sec 475(f)(1)

**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ 2

**J** Check if Schedules C and M-3 are attached. ☐

**Caution.** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

<b>INCOME</b>	<b>1a</b> Merchant card and third-party payments (including amounts reported on Form(s) 1099-K). For 2011, enter -0-.....	<b>1a</b>	<u>0.</u>	
	<b>b</b> Gross receipts or sales not reported on line 1a (see instructions)	<b>1b</b>		
	<b>c</b> Total. Add lines 1a and 1b.....	<b>1c</b>		
	<b>d</b> Returns and allowances plus any other adjustments to line 1a (see inst).	<b>1d</b>		
	<b>e</b> Subtract line 1d from line 1c.....	<b>1e</b>		
	<b>2</b> Cost of goods sold (attach Form 1125-A).....	<b>2</b>		
	<b>3</b> Gross profit. Subtract line 2 from line 1e.....	<b>3</b>		
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach statement).....	<b>4</b>		
<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)).....	<b>5</b>			
<b>6</b> Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797).....	<b>6</b>		<u>259,366.</u>	
<b>7</b> Other income (loss) (attach statement).....	<b>7</b>			
<b>8</b> <b>Total income (loss).</b> Combine lines 3 through 7.....	<b>8</b>		<u>259,366.</u>	
<b>SEE INSTRUCTIONS FOR DEDUCTIONS</b>	<b>9</b> Salaries and wages (other than to partners) (less employment credits).....	<b>9</b>		
	<b>10</b> Guaranteed payments to partners.....	<b>10</b>		
	<b>11</b> Repairs and maintenance.....	<b>11</b>		
	<b>12</b> Bad debts.....	<b>12</b>		
	<b>13</b> Rent.....	<b>13</b>		
	<b>14</b> Taxes and licenses.....	<b>14</b>		
	<b>15</b> Interest.....	<b>15</b>		
	<b>16a</b> Depreciation (if required, attach Form 4562).....	<b>16a</b>		
	<b>b</b> Less depreciation reported on Form 1125-A and elsewhere on return....	<b>16b</b>		
	<b>16c</b>	<b>16c</b>		
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ).....	<b>17</b>		
	<b>18</b> Retirement plans, etc.....	<b>18</b>		
	<b>19</b> Employee benefit programs.....	<b>19</b>		
	<b>20</b> Other deductions (attach statement)..... See Statement 1	<b>20</b>		<u>175,746.</u>
<b>21</b> <b>Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20.....	<b>21</b>		<u>175,746.</u>	
<b>22</b> <b>Ordinary business income (loss).</b> Subtract line 21 from line 8.....	<b>22</b>		<u>83,620.</u>	

<b>Sign Here</b>	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member manager) is based on all information of which preparer has any knowledge.		
	Signature of general partner or limited liability company member manager _____ Date _____		
<b>Paid Preparer Use Only</b>	Print/Type preparer's name <u>z WebGuideExamples</u>		Preparer's signature <u>z WebGuideExamples</u>
	Firm's name ▶ <u>Green &amp; Company CPAs, LLC</u>		Firm's EIN ▶ <u>20-0751653</u>
	Firm's address ▶ <u>54 Danbury Rd., #351</u> <u>Ridgefield, CT 06877</u>		Phone no. <u>877-662-2014</u>
	Check <input type="checkbox"/> if self-employed PTIN _____		

BAA For Paperwork Reduction Act Notice, see separate instructions.

PTPA0105L 10/27/11

Form **1065** (2011)

**Schedule B Other Information**

		Yes	No
<b>1</b> What type of entity is filing this return? Check the applicable box:			
<b>a</b> <input type="checkbox"/> Domestic general partnership	<b>b</b> <input type="checkbox"/> Domestic limited partnership		
<b>c</b> <input checked="" type="checkbox"/> Domestic limited liability company	<b>d</b> <input type="checkbox"/> Domestic limited liability partnership		
<b>e</b> <input type="checkbox"/> Foreign partnership	<b>f</b> <input type="checkbox"/> Other. . . . . ▶		
<b>2</b> At any time during the tax year, was any partner in the partnership a disregarded entity, a partnership (including an entity treated as a partnership), a trust, an S corporation, an estate (other than an estate of a deceased partner), or a nominee or similar person? . . . . .			X
<b>3</b> At the end of the tax year:			
<b>a</b> Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization, or any foreign government own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If 'Yes,' attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership . . . . .			X
<b>b</b> Did any individual or estate own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If 'Yes,' attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership . . . . .		X	
<b>4</b> At the end of the tax year, did the partnership:			
<b>a</b> Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If 'Yes,' complete (i) through (iv) below . . . . .			X

(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock

<b>b</b> Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If 'Yes,' complete (i) through (v) below . . . . .		X
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(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital

	Yes	No
<b>5</b> Did the partnership file Form 8893, Election of Partnership Level Tax Treatment, or an election statement under section 6231(a)(1)(B)(ii) for partnership-level tax treatment, that is in effect for this tax year? See Form 8893 for more details. ....		X
<b>6</b> Does this partnership satisfy <b>all four</b> of the following conditions? <b>a</b> The partnership's total receipts for the tax year were less than \$250,000. <b>b</b> The partnership's total assets at the end of the tax year were less than \$1 million. <b>c</b> Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return. <b>d</b> The partnership is not filing and is not required to file Schedule M-3. .... If 'Yes,' the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item L on Schedule K-1.	X	
<b>7</b> Is this partnership a publicly traded partnership as defined in section 469(k)(2)? .....		X
<b>8</b> During the tax year, did the partnership have any debt that was cancelled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt? .....		X
<b>9</b> Has this partnership filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction? .....		X
<b>10</b> At any time during calendar year 2011, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If 'Yes,' enter the name of the foreign country. ▶		X
<b>11</b> At any time during the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If 'Yes,' the partnership may have to file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. See instructions. ....		X
<b>12a</b> Is the partnership making, or had it previously made (and not revoked), a section 754 election? .....		X
See instructions for details regarding section 754 election.		
<b>b</b> Did the partnership make for this tax year an optional basis adjustment under section 743(b) or 734(b)? If 'Yes,' attach a statement showing the computation and allocation of the basis adjustment. See instructions. ....		X
<b>c</b> Is the partnership required to adjust the basis of partnership assets under section 743(b) or 734(b) because of a substantial built-in loss (as defined under section 743(d)) or substantial basis reduction (as defined under section 734(d))? If 'Yes,' attach a statement showing the computation and allocation of the basis adjustment. See instructions. ....		X
<b>13</b> Check this box if, during the current or prior tax year, the partnership distributed any property received in a like-kind exchange or contributed such property to another entity (other than disregarded entities wholly-owned by the partnership throughout the tax year). .... <input type="checkbox"/>		
<b>14</b> At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in a partnership property? .....		X
<b>15</b> If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect To Foreign Disregarded Entities, enter the number of Forms 8858 attached. See instructions ▶		
<b>16</b> Does the partnership have any foreign partners? If 'Yes,' enter the number of Forms 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, filed for this partnership. ▶		X
<b>17</b> Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return. .... ▶		
<b>18a</b> Did you make any payments in 2011 that would require you to file Form(s) 1099? See instructions. ....	X	
<b>b</b> If 'Yes,' did you or will you file all required Form(s) 1099? .....	X	
<b>19</b> Enter the number of Form(s) 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations, attached to this return. .... ▶		

**Designation of Tax Matters Partner** (see the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶	Member #1	Identifying number of TMP ▶	888-88-8888
If the TMP is an entity, name of TMP representative ▶		Phone number of TMP ▶	
Address of designated TMP ▶	Any Street Houston, TX 77001		

Schedule K Partners' Distributive Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 22).....	1	83,620.
	2 Net rental real estate income (loss) (attach Form 8825).....	2	
	3a Other gross rental income (loss).....	3a	
	b Expenses from other rental activities (attach stmt).....	3b	
	c Other net rental income (loss). Subtract line 3b from line 3a.....	3c	
	4 Guaranteed payments.....	4	
	5 Interest income.....	5	158.
	6 Dividends: a Ordinary dividends.....	6a	74.
	b Qualified dividends.....	6b	74.
	7 Royalties.....	7	
	8 Net short-term capital gain (loss) (attach Schedule D (Form 1065)).....	8	
9a Net long-term capital gain (loss) (attach Schedule D (Form 1065)).....	9a		
b Collectibles (28%) gain (loss).....	9b		
c Unrecaptured section 1250 gain (attach statement).....	9c		
10 Net section 1231 gain (loss) (attach Form 4797).....	10		
11 Other income (loss) (see instructions) Type ▶ See Statement 2	11	3,172.	
Deductions	12 Section 179 deduction (attach Form 4562).....	12	
	13a Contributions.....	13a	
	b Investment interest expense.....	13b	
	c Section 59(e)(2) expenditures: (1) Type ▶ (2) Amount. ▶	13c (2)	
d Other deductions (see instructions) Type ▶	13d		
Self-Employment	14a Net earnings (loss) from self-employment.....	14a	
	b Gross farming or fishing income.....	14b	
	c Gross nonfarm income.....	14c	
Credits	15a Low-income housing credit (section 42(j)(5)).....	15a	
	b Low-income housing credit (other).....	15b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468).....	15c	
	d Other rental real estate credits (see instructions). Type ▶	15d	
	e Other rental credits (see instructions)..... Type ▶	15e	
	f Other credits (see instructions)..... Type ▶	15f	
Foreign Transactions	16a Name of country or U.S. possession.....		
	b Gross income from all sources.....	16b	
	c Gross income sourced at partner level.....	16c	
	Foreign gross income sourced at partnership level.....		
	d Passive category ▶ e General category ▶ f Other..... ▶	16f	
	Deductions allocated and apportioned at partner level.....		
	g Interest expense ▶ h Other..... ▶	16h	
	Deductions allocated and apportioned at partnership level to foreign source income.....		
	i Passive category ▶ j General category ▶ k Other..... ▶	16k	
	l Total foreign taxes (check one): ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	16l	
m Reduction in taxes available for credit (attach statement).....	16m		
n Other foreign tax information (attach statement).....			
Alternative Minimum Tax (AMT) Items	17a Post-1986 depreciation adjustment.....	17a	
	b Adjusted gain or loss.....	17b	
	c Depletion (other than oil and gas).....	17c	
	d Oil, gas, and geothermal properties — gross income.....	17d	
	e Oil, gas, and geothermal properties — deductions.....	17e	
	f Other AMT items (attach stmt).....	17f	
Other Information	18a Tax-exempt interest income.....	18a	
	b Other tax-exempt income.....	18b	
	c Nondeductible expenses.....	18c	
	19a Distributions of cash and marketable securities.....	19a	83,620.
	b Distributions of other property.....	19b	
	20a Investment income.....	20a	232.
b Investment expenses.....	20b		
c Other items and amounts (attach stmt).....			

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13d, and 16l.						1	87,024.
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners							
b Limited partners		87,024.					

Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1 Cash					83,364.
2a Trade notes and accounts receivable					
b Less allowance for bad debts					
3 Inventories					
4 U.S. government obligations					
5 Tax-exempt securities					
6 Other current assets (attach stmt) See St. 3					4,174.
7a Loans to partners (or persons related to partners)					
b Mortgage and real estate loans					
8 Other investments (attach stmt)					
9a Buildings and other depreciable assets					
b Less accumulated depreciation					
10a Depletable assets					
b Less accumulated depletion					
11 Land (net of any amortization)					
12a Intangible assets (amortizable only)				1,140.	
b Less accumulated amortization				1,140.	
13 Other assets (attach stmt)					
14 Total assets					87,538.
<b>Liabilities and Capital</b>					
15 Accounts payable					
16 Mortgages, notes, bonds payable in less than 1 year					
17 Other current liabilities (attach stmt)					
18 All nonrecourse loans					
19a Loans from partners (or persons related to partners)					
b Mortgages, notes, bonds payable in 1 year or more					
20 Other liabilities (attach stmt)					
21 Partners' capital accounts					87,538.
22 Total liabilities and capital					87,538.

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return**  
Note. Schedule M-3 may be required instead of Schedule M-1 (see instructions).

1 Net income (loss) per books	87,024.	6 Income recorded on books this year not included on Schedule K, lines 1 through 11 (itemize):	
2 Income included on Schedule K, lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, and 11, not recorded on books this year (itemize):		a Tax-exempt interest \$	
3 Guaranteed pmts (other than health insurance)		7 Deductions included on Schedule K, lines 1 through 13d, and 16l, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 13d, and 16l (itemize):		a Depreciation \$	
a Depreciation \$		8 Add lines 6 and 7	
b Travel and entertainment \$		9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5	87,024.
5 Add lines 1 through 4	87,024.		

**Schedule M-2 Analysis of Partners' Capital Accounts**

1 Balance at beginning of year	0.	6 Distributions: a Cash	83,620.
2 Capital contributed: a Cash	84,134.	b Property	
b Property		7 Other decreases (itemize):	
3 Net income (loss) per books	87,024.	8 Add lines 6 and 7	83,620.
4 Other increases (itemize):		9 Balance at end of year. Subtract line 8 from line 5	87,538.
5 Add lines 1 through 4	171,158.		

**SCHEDULE B-1  
(Form 1065)**(December 2011)  
Department of the Treasury  
Internal Revenue Service**Information on Partners Owning 50% or  
More of the Partnership**► **Attach to Form 1065. See instructions.**

OMB No. 1545-0099

Name of partnership

Example LLC (MTM GAIN)

Employer identification number (EIN)

98-7999998**Part I** **Entities Owning 50% or More of the Partnership** (Form 1065, Schedule B, Question 3a)

Complete columns (i) through (v) below for any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, tax-exempt organization, or any foreign government that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital

**Part II** **Individuals or Estates Owning 50% or More of the Partnership** (Form 1065, Schedule B, Question 3b)

Complete columns (i) through (iv) below for any individual or estate that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Individual or Estate	(ii) Identifying Number (if any)	(iii) Country of Citizenship (see instructions)	(iv) Maximum Percentage Owned in Profit, Loss, or Capital
Member #1	888-88-8888	United States	100.000
Member #2	777-77-7777	United States	100.000

BAA For Paperwork Reduction Act Notice, see the instructions for Form 1065.

Schedule B-1 (Form 1065) (12-2011)

**Schedule K-1**  
**(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**2011**

For calendar year 2011, or tax

year beginning 5/16, 2011  
ending 12/31, 2011

**Partner's Share of Income, Deductions, Credits, etc.**

► See separate instructions.

**Part I Information About the Partnership**

**A** Partnership's employer identification number  
98-7999998

**B** Partnership's name, address, city, state, and ZIP code

Example LLC (MTM GAIN)  
Any Street  
Houston, TX 77001

**C** IRS Center where partnership filed return  
Ogden, UT

**D** ☐ Check if this is a publicly traded partnership (PTP)

**Part II Information About the Partner**

**E** Partner's identifying number  
888-88-8888

**F** Partner's name, address, city, state, and ZIP code

Member #1  
Any Street  
Houston, TX 77001

**G** ☒ General partner or LLC member-manager ☐ Limited partner or other LLC member

**H** ☒ Domestic partner ☐ Foreign partner

**I** What type of entity is this partner? Individual

**J** Partner's share of profit, loss, and capital (see instructions):

	Beginning	Ending
Profit	%	50 %
Loss	%	50 %
Capital	%	50 %

**K** Partner's share of liabilities at year end:

Nonrecourse	\$	
Qualified nonrecourse financing	\$	
Recourse	\$	

**L** Partner's capital account analysis:

Beginning capital account	\$	0.
Capital contributed during the year	\$	42,067.
Current year increase (decrease)	\$	43,512.
Withdrawals and distributions	\$	( 41,810.)
Ending capital account	\$	43,769.

☒ Tax basis ☐ GAAP ☐ Section 704(b) book  
☐ Other (explain)

**M** Did the partner contribute property with a built-in gain or loss?

☐ Yes ☒ No

If 'Yes', attach statement (see instructions)

☐ Final K-1

☐ Amended K-1

651111  
OMB No. 1545-0099

**Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items**

<b>1</b>	Ordinary business income (loss)	<b>15</b>	Credits
	41,810.		
<b>2</b>	Net rental real estate income (loss)		
<b>3</b>	Other net rental income (loss)	<b>16</b>	Foreign transactions
<b>4</b>	Guaranteed payments		
<b>5</b>	Interest income		
	79.		
<b>6a</b>	Ordinary dividends		
	37.		
<b>6b</b>	Qualified dividends		
	37.		
<b>7</b>	Royalties		
<b>8</b>	Net short-term capital gain (loss)		
<b>9a</b>	Net long-term capital gain (loss)	<b>17</b>	Alternative minimum tax (AMT) items
<b>9b</b>	Collectibles (28%) gain (loss)		
<b>9c</b>	Unrecaptured section 1250 gain		
<b>10</b>	Net section 1231 gain (loss)	<b>18</b>	Tax-exempt income and nondeductible expenses
<b>11</b>	Other income (loss)		
	1,586.		
<b>12</b>	Section 179 deduction	<b>19</b>	Distributions
		<b>A</b>	41,810.
<b>13</b>	Other deductions		
		<b>20</b>	Other information
		<b>A</b>	116.
<b>14</b>	Self-employment earnings (loss)		

\*See attached statement for additional information.

FOR  
IRS  
USE  
ONLY



Schedule K-1  
(Form 1065)

Department of the Treasury  
Internal Revenue Service

2011

For calendar year 2011, or tax

year beginning 5/16, 2011  
ending 12/31, 2011

Partner's Share of Income, Deductions,  
Credits, etc.

See separate instructions.

Part I Information About the Partnership

A Partnership's employer identification number  
98-7999998

B Partnership's name, address, city, state, and ZIP code

Example LLC (MTM GAIN)  
Any Street  
Houston, TX 77001

C IRS Center where partnership filed return  
Ogden, UT

D ☐ Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number  
777-77-7777

F Partner's name, address, city, state, and ZIP code

Member #2  
Any Street  
Houston, TX 77001

G ☐ General partner or LLC member-manager ☒ Limited partner or other LLC member

H ☒ Domestic partner ☐ Foreign partner

I What type of entity is this partner? Individual

J Partner's share of profit, loss, and capital (see instructions):  
Beginning Ending

Profit	%	50 %
Loss	%	50 %
Capital	%	50 %

K Partner's share of liabilities at year end:

Nonrecourse	\$	
Qualified nonrecourse financing	\$	
Recourse	\$	

L Partner's capital account analysis:

Beginning capital account	\$	0.
Capital contributed during the year	\$	42,067.
Current year increase (decrease)	\$	43,512.
Withdrawals and distributions	\$	( 41,810.)
Ending capital account	\$	43,769.

☒ Tax basis ☐ GAAP ☐ Section 704(b) book  
☐ Other (explain)

M Did the partner contribute property with a built-in gain or loss?

☐ Yes ☒ No

If 'Yes', attach statement (see instructions)

☐ Final K-1

☐ Amended K-1

651111  
OMB No. 1545-0099

Part III Partner's Share of Current Year Income,  
Deductions, Credits, and Other Items

1	Ordinary business income (loss)	15	Credits
	41,810.		
2	Net rental real estate income (loss)		
3	Other net rental income (loss)	16	Foreign transactions
4	Guaranteed payments		
5	Interest income		
	79.		
6a	Ordinary dividends		
	37.		
6b	Qualified dividends		
	37.		
7	Royalties		
8	Net short-term capital gain (loss)		
9a	Net long-term capital gain (loss)	17	Alternative minimum tax (AMT) items
9b	Collectibles (28%) gain (loss)		
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)	18	Tax-exempt income and nondeductible expenses
11	Other income (loss)		
C	1,586.		
12	Section 179 deduction	19	Distributions
		A	41,810.
13	Other deductions	20	Other information
		A	116.
14	Self-employment earnings (loss)		

\*See attached statement for additional information.

FOR  
IRS  
USE  
ONLY

Form **4562**Department of the Treasury  
Internal Revenue Service (99)**Depreciation and Amortization**  
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No. 1545-0172

**2011**Attachment  
Sequence No. **179**

Name(s) shown on return

Example LLC (MTM GAIN)

Identifying number

98-7999998

Business or activity to which this form relates

Form 1065

**Part I Election To Expense Certain Property Under Section 179**

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions).	1	
2	Total cost of section 179 property placed in service (see instructions).	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions).	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions.	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29.	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7.	8	
9	Tentative deduction. Enter the <b>smaller</b> of line 5 or line 8.	9	
10	Carryover of disallowed deduction from line 13 of your 2010 Form 4562.	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs).	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11.	12	
13	Carryover of disallowed deduction to 2012. Add lines 9 and 10, less line 12.	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)** (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions).	14	
15	Property subject to section 168(f)(1) election.	15	
16	Other depreciation (including ACRS).	16	

**Part III MACRS Depreciation (Do not include listed property.)** (See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2011.	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here.		

**Section B — Assets Placed in Service During 2011 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property.						
b 5-year property.						
c 7-year property.						
d 10-year property.						
e 15-year property.						
f 20-year property.						
g 25-year property.			25 yrs		S/L	
h Residential rental property.			27.5 yrs	MM	S/L	
i Nonresidential real property.			27.5 yrs	MM	S/L	
			39 yrs	MM	S/L	
				MM	S/L	

**Section C — Assets Placed in Service During 2011 Tax Year Using the Alternative Depreciation System**

20a Class life.					S/L	
b 12-year.			12 yrs		S/L	
c 40-year.			40 yrs	MM	S/L	

**Part IV Summary** (See instructions.)

21	Listed property. Enter amount from line 28.	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions.	22	
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs.	23	

BAA For Paperwork Reduction Act Notice, see separate instructions.

FD0812L 05/20/11

Form **4562** (2011)

**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Form **4562** (2011)

Form **4797**Department of the Treasury  
Internal Revenue Service (99)**Sales of Business Property**  
(Also Involuntary Conversions and Recapture Amounts  
Under Sections 179 and 280F(b)(2))

▶ Attach to your tax return. ▶ See separate instructions.

OMB No. 1545-0184

**2011**Attachment  
Sequence No. **27**

Name(s) shown on return

Example LLC (MTM GAIN)

Identifying number

98-7999998

- 1 Enter the gross proceeds from sales or exchanges reported to you for 2011 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions)..... **1** **3,985,956.**

**Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft – Most Property Held More Than 1 Year** (see instructions)

2	(a) Description of property	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)

- 3 Gain, if any, from Form 4684, line 39..... **3**
- 4 Section 1231 gain from installment sales from Form 6252, line 26 or 37..... **4**
- 5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824..... **5**
- 6 Gain, if any, from line 32, from other than casualty or theft..... **6**
- 7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows:..... **7**

**Partnerships (except electing large partnerships) and S corporations.** Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.

**Individuals, partners, S corporation shareholders, and all others.** If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.

- 8 Nonrecaptured net section 1231 losses from prior years (see instructions)..... **8**
- 9 Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions)..... **9**

**Part II Ordinary Gains and Losses** (see instructions)

- 10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):

IB - Trading account (See Attached)						
	Various	Various	3,985,956.		3,726,590.	259,366.

- 11 Loss, if any, from line 7..... **11**
- 12 Gain, if any, from line 7 or amount from line 8, if applicable..... **12**
- 13 Gain, if any, from line 31..... **13**
- 14 Net gain or (loss) from Form 4684, lines 31 and 38a..... **14**
- 15 Ordinary gain from installment sales from Form 6252, line 25 or 36..... **15**
- 16 Ordinary gain or (loss) from like-kind exchanges from Form 8824..... **16**
- 17 Combine lines 10 through 16..... **17** **259,366.**

- 18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below:

**a** If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23. Identify as from 'Form 4797, line 18a.' See instructions..... **18a**

**b** Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14..... **18b**

**BAA For Paperwork Reduction Act Notice, see separate instructions.**Form **4797** (2011)

Form **6781**Department of the Treasury  
Internal Revenue Service**Gains and Losses From Section 1256  
Contracts and Straddles**

► Attach to your tax return.

OMB No. 1545-0644

**2011**Attachment  
Sequence No. **82**

Name(s) shown on tax return

Identifying number

Example LLC (MTM GAIN)

98-7999998

Check all applicable boxes (see instructions).

**A**  
**B**

Mixed straddle election

Straddle-by-straddle identification election

**C**  
**D**

Mixed straddle account election

Net section 1256 contracts loss election

**Part I Section 1256 Contracts Marked to Market**

1	(a) Identification of account	(b) (Loss)	(c) Gain
	IB - Trading account - Futures		3,172.
2	Add the amounts on line 1 in columns (b) and (c).....	2	3,172.
3	Net gain or (loss). Combine line 2, columns (b) and (c).....	3	3,172.
4	Form 1099-B adjustments. See instructions and attach schedule.....	4	
5	Combine lines 3 and 4.....	5	3,172.
<b>Note:</b> If line 5 shows a net gain, skip line 6 and enter the gain on line 7. Partnerships and S corporations, see instructions.			
6	If you have a net section 1256 contracts loss and checked box D above, enter the amount of loss to be carried back. Enter the loss as a positive number.....	6	
7	Combine lines 5 and 6.....	7	
8	<b>Short-term capital gain or (loss).</b> Multiply line 7 by 40% (.40). Enter here and include on the appropriate line of Schedule D (see instructions).....	8	
9	<b>Long-term capital gain or (loss).</b> Multiply line 7 by 60% (.60). Enter here and include on the appropriate line of Schedule D (see instructions).....	9	

**Part II Gains and Losses From Straddles.** Attach a separate schedule listing each straddle and its components.**Section A – Losses From Straddles**

(a) Description of property	(b) Date entered into or acquired	(c) Date closed out or sold	(d) Gross sales price	(e) Cost or other basis plus expense of sale	(f) Loss. If column (e) is more than (d), enter difference. Otherwise, enter -0-	(g) Unrecognized gain on offsetting positions	(h) Recognized loss. If column (f) is more than (g), enter difference. Otherwise, enter -0-
10							
11a Enter the short-term portion of losses from line 10, column (h), here and include on the appropriate line of Schedule D (see instructions).....							11a
b Enter the long-term portion of losses from line 10, column (h), here and include on the appropriate line of Schedule D (see instructions).....							11b

**Section B – Gains From Straddles**

(a) Description of property	(b) Date entered into or acquired	(c) Date closed out or sold	(d) Gross sales price	(e) Cost or other basis plus expense of sale	(f) Gain. If column (d) is more than (e), enter difference. Otherwise, enter -0-
12					
13a Enter the short-term portion of gains from line 12, column (f), here and include on the appropriate line of Schedule D (see instructions).....					13a
b Enter the long-term portion of gains from line 12, column (f), here and include on the appropriate line of Schedule D (see instructions).....					13b

**Part III Unrecognized Gains From Positions Held on Last Day of Tax Year.** Memo Entry Only (see instructions)

(a) Description of property	(b) Date acquired	(c) Fair market value on last business day of tax year	(d) Cost or other basis as adjusted	(e) Unrecognized gain. If column (c) is more than (d), enter difference. Otherwise, enter -0-
14				

BAA For Paperwork Reduction Act Notice, see separate instructions.

FDIZ1601L 06/21/11

Form **6781** (2011)

2011

## Federal Statements

Page 1

Client EX3-LLC

Example LLC (MTM GAIN)

98-7999998

2/19/12

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**Statement 1**  
**Form 1065, Line 20**  
**Other Deductions**

Administration Fee.....	\$	171,415.
Domain name registration fee.....		103.
Start-up Costs.....		1,140.
Trader tax and accounting.....		1,250.
Trading bank charges.....		148.
Trading communication.....		312.
Trading fees.....		3.
Trading internet & cable services.....		412.
Trading market information services.....		444.
Trading postage.....		1.
Trading reference books.....		106.
Trading repairs and maintenance.....		50.
Trading subscriptions.....		349.
Trading supplies.....		13.
Total	\$	<u>175,746.</u>

**Statement 2**  
**Form 1065, Schedule K, Line 11**  
**Other Income (Loss)**

Form 6781, Part I.....	\$	3,172.
Total	\$	<u>3,172.</u>

**Statement 3**  
**Form 1065, Schedule L, Line 6**  
**Other Current Assets**

	<u>Beginning</u>	<u>Ending</u>
.....	\$ 0.	\$ 4,174.
Total	<u>\$ 0.</u>	<u>\$ 4,174.</u>

2/19/12

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Note to Form 1065, Form 4797-Part II and Form 6781 in connection with taxpayer's business activity: "trader in securities and commodities"

This limited liability company (LLC) is in the business of trading securities and commodities, as defined below. For tax purposes the LLC is being treated as a partnership. The members report their respective Schedule K-1s on their individual income tax returns.

Taxpayer operated a trading business, in accordance with the definition below, from May 16, 2011 to December 31, 2011. Considerable time spent every trading day, consistent and frequent number of trades, and trading proceeds all support taxpayer's rising to the level of conducting this activity as a business.

Taxpayer's business activities are described in IRS Publication 550, Chapter 4 - Special Rules for Traders. We excerpt these rules below (and add some notes in parenthesis). This is a trading limited liability company but the business activity is explained in IRS Publication 550 written for individuals and therefore mentions Form 1040.

#### Special Rules for Traders in Securities.

-----

IRS Publication 550 - Chapter 4, "Special Rules for Traders," applies to individuals and trading companies. We excerpt these rules below (and add some notes in parenthesis).

"Special rules apply if you are a trader in securities in the business of buying and selling securities for your own account. To be engaged in business as a trader in securities, you must meet all the following conditions. (Taxpayer met all the following conditions for tax year 2011).

..You must seek to profit from daily market movements in the prices of securities and not from dividends, interest, or capital appreciation.

..Your activity must be substantial.

..You must carry on the activity with continuity and regularity.

The following facts and circumstances should be considered in determining if your activity is a securities trading business.

..Typical holding periods for securities bought and sold. (Taxpayer had very short holding periods).

..The frequency and dollar amount of your trades during the year. (Taxpayer traded frequently with lower dollar amounts, and thus had a high turnover).

..The extent to which you pursue the activity to produce income for a livelihood. (Taxpayer's intention is to earn a living from this trading business activity).

..The amount of time you devote to the activity. (Taxpayer spends a good part of every day on this activity).

#### Note.

-----

You may be a trader in some securities and have other securities you hold for investment. The special rules discussed here do not apply to the securities held for investment. You must keep detailed records to distinguish the securities. The securities held for investment must be identified as such in your records on the day you got them (for example, by holding them in a separate brokerage account). If taxpayer has investment securities they are clearly "segregated" from trading securities in accordance with current IRS regulations.

### How To Report.

Transactions from trading activities result in capital gains and losses and must be reported on Schedule D (Form 1040). Losses from these transactions are subject to the limit on capital losses explained earlier in this chapter.

Mark-to-market election made. (This new taxpayer internally elected mark-to-market accounting for 2011 for securities only, not commodities).

If you made the mark-to-market election, you should report all gains and losses from trading as ordinary gains and losses in Part II of Form 4797, instead of as capital gains and losses on Schedule D. In that case, securities held at the end of the year in your business as a trader are marked to market by treating them as if they were sold (and reacquired) for fair market value on the last business day of the year. But do not mark to market any securities you held for investment. Report sales from those securities on Schedule D, not Form 4797.

### Expenses.

Interest expense and other investment expenses that an investor would deduct on Schedule A (Form 1040) are deducted by a trader on Form 1065, Profit or Loss From Business, if the expenses are from the trading business. Commissions and other costs of acquiring or disposing of securities are not deductible but must be used to figure gain or loss. The limit on investment interest expense, which applies to investors, does not apply to interest paid or incurred in a trading business. (Taxpayer duly reported the trading business expenses on Form 1065: trader in securities and commodities).

### Self-employment tax.

Gains and losses from selling securities as part of a trading business are not subject to self-employment tax. This is true whether the election is made or not.

### How To Make the Mark-to-Market Election for New Taxpayers.

If you are not required to file a 2011 income tax return, you make the election by placing the above statement in your books and records no later than March 15, 2012. Attach a copy of the statement to your 2012 return.

Revenue Procedure 99-17, 1999-1 C.B. 503, 2/09/1999, IRC Sec 475(f) Mark-to-market election rules for dealers in securities-election for traders and dealers.

### Section 5.03(2)

#### New taxpayers.

A new taxpayer is a taxpayer for which no federal income tax return was required to be filed for the taxable year immediately preceding the election year. A new taxpayer makes the election by placing in its books and records no later than 2 months and 15 days after the first day of the election year a statement that satisfies the requirements in section 5.04 of this revenue procedure. To notify the Service that the election was made, the new taxpayer must attach a copy of the statement to its original federal income tax return for the election year. (This is the first tax year for the trading LLC. The LLC elected mark-to-market accounting under section 475(f) for securities only for tax year 2011 internally within 2 months and 15 days of forming the entity. A copy of that election is included at the bottom of this footnote, which is being attached to the initial return).

Once you make the election, it will apply to 2011 and all later tax years, unless you get permission from IRS to revoke it. The effect of making the election is described under mark-to-market election made, earlier.

For more information on this election, see Revenue Procedure 99-17, 1999-1 C.B. and



Client EX3-LLC

Example LLC (MTM GAIN)

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sections 475(f).

-----

TAXPAYER ALSO QUALIFIES AS A "TRADER IN COMMODITIES"

IRC Code Section: § 475 "Mark to market accounting method for dealers in securities", has Section 475(f) - "Election of mark to market for traders in securities or commodities": 475(f)(1) is for "trades in securities"; and Section 475(f)(2) is for "traders in commodities."

IRS Revenue Procedure 99-17 - "Mark to market accounting method for dealers in securities - election for traders and dealers", applies to both traders in securities and/or commodities. Rev.Proc. 99-17 reads as follows: "Headnote - IRS has provided exclusive procedure for dealers in commodities and traders in commodities and securities to elect to use mark-to-market accounting method."

Taxpayer elected mark-to-market (MTM) accounting for securities trading only (not commodities).

-----

Copy of partnership's internal election for mark-to-market accounting.

-----

The new taxpayer made the election by placing the below statement in the company's books and records within 2 months and 15 days of forming the entity.

"Pursuant to IRC Section 475(f)(1), the Taxpayer hereby elects to adopt the mark-to-market method of accounting for the tax year ended Dec. 31, 2011 and subsequent tax years. The election applies to the following trade or business: Trader in Securities as a Limited Liability Company."

2011

## Schedule K-1 Allocation Summary

Page 1

Client EX3-LLC

Example LLC (MTM GAIN)

98-7999998

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Ptr# Name

-----  
1 Member #1  
2 Member #2

Line	Item	Total on Schedule K	Partner 1	Partner 2
----	-----	-----	-----	-----
L	Profit Sharing Alloc. Percentage		50.000000	50.000000
L	Loss Sharing Alloc. Percentage		50.000000	50.000000
1	Ordinary business income (loss)	83,620.	41,810.	41,810.
5	Interest income	158.	79.	79.
6a	Ordinary dividends	74.	37.	37.
6b	Qualified dividends	74.	37.	37.
11	Other income (loss)	3,172.	1,586.	1,586.
19	Distributions of cash & market. sec.	83,620.	41,810.	41,810.
20	Investment income	232.	116.	116.

12/31/11

## 2011 Federal Summary Depreciation Schedule

Page 1

Client EX3-LLC

Example LLC (MTM GAIN)

98-7999998

2/19/12

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No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179/ SDA	Prior 179/ SDA/ Depr.	Method	Life	Current Depr.
Form 1065										
Amortization										
1	Start up cost	5/16/11		1,140				S/L		0
Total Amortization				1,140		0	0			0
Total Depreciation				0		0	0			0
Grand Total Amortization				1,140		0	0			0
Grand Total Depreciation				0		0	0			0

2011

## Federal Income Tax Summary

Page 1

Client EX3-LLC

Example LLC (MTM GAIN)

98-7999998

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	2011	2010	Diff
<b>TRADE OR BUSINESS INCOME</b>			
Net gain (loss) from Form 4797.....	259,366	259,366	0
Total income (loss).....	259,366	259,366	0
<b>TRADE OR BUSINESS DEDUCTIONS</b>			
Other deductions.....	175,746	175,746	0
Total deductions.....	175,746	175,746	0
<b>SCHEDULE K - INCOME</b>			
Ordinary business income (loss).....	83,620	83,620	0
Interest income.....	158	158	0
Ordinary dividends.....	74	74	0
Other income (loss).....	3,172	3,172	0
<b>SCHEDULE K - OTHER</b>			
Distributions of cash & marketable sec..	83,620	83,620	0
Investment income.....	232	232	0
<b>SCHEDULE L - BALANCE SHEET</b>			
Beginning Assets.....	0	0	0
Beginning Liabilities and Capital.....	0	0	0
Ending Assets.....	87,538	87,538	0
Ending Liabilities and Capital.....	87,538	87,538	0

2011

## Federal Balance Sheet Summary

Page 1

Client EX3-LLC

Example LLC (MTM GAIN)

98-7999998

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**ENDING ASSETS**

Cash .....		83,364
Other current assets .....		4,174
Intangible assets .....	1,140	
Less accumulated amortization .....	(1,140)	
Total Assets .....		87,538

**ENDING LIABILITIES & CAPITAL**

Partners' capital accounts .....		87,538
Total Liabilities and Capital .....		87,538

Demo

**2011**

**General Information**

**Page 1**

**Client EX3-LLC**

**Example LLC (MTM GAIN)**

**98-7999998**

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**Forms needed for this return**

Federal: 1065, Sch B-1, Sch K-1, 4562, 4797, 6781

**Carryovers to 2012**

None

Demo