

Booklet Includes:

- Instructions
- DR 0106
- Related Forms

106 Book

Partnerships and S corporations and Composite Filing for Nonresidents

2020



COLORADO
Department of Revenue

**Colorado Partnerships and S corporations
and Composite Filing for Nonresidents
Income Tax Filing Guide**

This book includes:

- › DR 0107 2020 Colorado Nonresident Partner or Shareholder Agreement
- › DR 0108 2020 Statement of Colorado Tax Remittance for Nonresident Partner or Shareholder
- › DR 0158-N Automatic Filing Extension for Composite Nonresident Income Tax Return
- › DR 0106 2020 Colorado Partnership and S corporation and Composite Nonresident Income Tax Form
- › DR 0106CR 2020 Colorado Pass-Through Entity Credit Schedule

MAILING ADDRESS FOR FORM DR 0106 AND DR 0106CR

**WITH
PAYMENT**

Mail To

COLORADO DEPARTMENT OF REVENUE
Denver, CO 80261-0006

**WITHOUT
PAYMENT**

Mail To

COLORADO DEPARTMENT OF REVENUE
Denver, CO 80261-0005

These addresses and zip codes are exclusive to the Colorado Department of Revenue, so a street address is not required.

MAILING ADDRESS FOR FORM DR 0158-N AND DR 0108

COLORADO DEPARTMENT OF REVENUE
Denver, CO 80261-0008

Tax.Colorado.gov

INFORMATION | EDUCATION | ASSISTANCE



200107 19999

2020 Colorado Nonresident Partner or Shareholder Agreement

Taxable Year of Partner or Shareholder		Taxable Year of Pass-Through Entity	
Beginning MM/DD/YYYY	Ending MM/DD/YYYY	Beginning MM/DD/YYYY	Ending MM/DD/YYYY
Name and Address of Nonresident Partner or Shareholder		Name and Address of Pass-Through Entity	
SSN or ITIN	FEIN	Colorado Account Number	FEIN
Last Name or Business Name		Last Name or Business Name	
First Name	Middle Initial	First Name	Middle Initial
Street or Mailing Address		Street or Mailing Address	
City		City	
State	ZIP	State	ZIP

I agree to file a Colorado income tax return and make timely payment of all taxes imposed by the state of Colorado with respect to my share of the Colorado income of the pass-through entity named above. I also agree to be subject to personal jurisdiction in the state of Colorado for purposes of the collection of unpaid income tax together with related penalties and interest. I furthermore understand the Department of Revenue will consider the timely first filing of this agreement as applicable to all future filing periods unless notified otherwise.

Taxpayer's or Authorized Agent's Signature	Date (MM/DD/YY)

Submit this agreement when filing the Colorado form DR 0106

A nonresident partner or shareholder can complete this form DR 0107 to establish that they will report the Colorado source income and pay the Colorado tax on any income derived from a Colorado partnership or S corporation.

This form shall be delivered by the nonresident partner or shareholder to the partnership or S corporation, which shall later be submitted by the partnership or S corporation with form DR 0106. This form need only to be filed with the Department for the year in which the agreement is made.

See the instructions for Nonresident Partners and Shareholders in the 106 Book and the income tax guidance publications available at Tax.Colorado.gov for more information.



2019 Statement of Colorado Tax Remittance for Nonresident Partner or Shareholder

In general, partnerships and S corporations must remit tax payments on behalf of their nonresident partners or shareholders using this DR 0108. However, a payment should not be remitted using DR 0108 for any nonresident partner or shareholder included in a composite return. Payments remitted with DR 0108 are due on the 15th day of the fourth month following the end of the taxable year.

See the instructions for Nonresident Partners and Shareholders in the 106 Book for more information.

ATTENTION TAXPAYERS:

Please note, a **MAXIMUM** of fifty (50) DR 0108 forms may be submitted with a single payment. DR 0108 totals must exactly match the payments, or the Department **WILL NOT** transfer the funds on behalf of the partnership. **DO NOT** remit payment via EFT.

DR 0108 (10/10/18)			
Return this form with check or money order payable to the Colorado Department of Revenue, Denver, Colorado 80261-0008. Enter on DR 0108 the name and Social Security number or FEIN of the nonresident partner or shareholder who will ultimately claim this payment. Do not send cash. Enclose, but do not staple or attach, your payment with this form.			
Shareholder or Partner is (Mark one):			
<input type="checkbox"/> Individual (SSN)		<input type="checkbox"/> Estate or Trust (FEIN)	
SSN		FEIN	
Last name of nonresident partner or shareholder			
First Name		Middle Initial	
Address			
City		State	ZIP
Do not use this form for a Corporation or Partnership			
Name of Pass-Through Entity		Colorado Account Number	FEIN
Address			
City		State	ZIP
<small>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>			
If No Payment Is Due, Do Not File This Form.			
1. Colorado-source income for nonresident partner or shareholder	1	\$	
2. Colorado tax remitted, 4.63% of amount on line 1	2	\$	

106 Book Instructions

This filing guide will assist you with completing your Colorado Income Tax Return. Please read through this guide before starting your return. Once you finish the form, file it with a computer, smartphone or tablet using our free and secure Revenue Online service at Colorado.gov/RevenueOnline. You may also file using private e-File software or with a paid tax preparer. You significantly reduce the chance of errors by filing your return electronically. If you cannot file electronically for any reason, mail the enclosed forms as instructed. All Colorado forms and publications referenced in this guide are available for download at Tax.Colorado.gov — the official Taxation website.

Any partnership or S corporation must file a DR 0106 for any year it is doing business in Colorado. A partnership or S corporation is doing business in Colorado whenever it meets the criteria set forth in Regulation 39-22-301.1. Partnerships subject to these requirements include any syndicate, group, pool, joint venture, or other unincorporated organization through or by means of which any business, financial operation, or venture is carried on, and which is not, for federal income tax purposes, considered a C corporation, trust, or estate.

A change or correction on your return must be reported on a corrected DR 0106 on Revenue Online. If filing on paper, mark the Amended Return box at the top of the corrected DR 0106. The corrected form must include all required schedules even if the schedule was submitted with the original return and has not changed.

Due Dates For Filing Return

The return is due to be filed the fifteenth day of the fourth month after the close of the tax year, or after the automatic six-month extension if applicable. See the extension payment instructions for further information. Calendar year 2020 returns are **due on April 15, 2021**.

Nonresident Partners and Shareholders

Partnerships and S corporations are required to ensure that its nonresident partners and shareholders satisfy their Colorado income tax liabilities resulting from the Colorado-source partnership or S corporation income. This is accomplished in one of three ways:

- File a composite return on behalf of the nonresident partners or shareholders. The tax due on the composite filing shall be 4.55% of the Colorado-source income of the partners or shareholders included in the composite return.
- Provide a completed DR 0107 for each nonresident partners or shareholders establishing that they will file a Colorado income tax return. The partnership or S corporation is responsible for collecting each DR 0107 and submitting them to the Department.

- Remit payment with a completed DR 0108 for each nonresident partner or shareholder. The required payment is 4.55% of the nonresident partner or shareholder's Colorado source income. A separate DR 0108 must be submitted for each partner or shareholder for whom payment is made. Submit no more than 50 DR 0108 forms with a single check.

You must indicate on Part III of this return which of these three filing requirements has been elected by each nonresident partner or shareholder. Refer to publication FYI Income 54 for additional information on composite filing, the agreement to file form DR 0107, and the withholding form DR 0108.

Information, guidance publications and forms are available at Tax.Colorado.gov.

Declaration of Estimated Tax

Estimated payments are required if the tax attributable to any partner or shareholder included in a composite return is expected to exceed \$1,000. Such estimated payments should be remitted with form DR 106EP.

Distributions

Colorado modifications and credits are allocated to shareholders and partners pursuant to applicable state law. Advise each Colorado partner, shareholder or member of their share of the partnership or S corporation modifications and credits. Advise each resident shareholder of their share of any income tax paid to other states by the corporation so they can compute the credit for tax paid to other state(s).

Apportionment of Income

Partnerships and S corporations doing business in more than one state must apportion their income as described below. This ensures income is reported to the state in which the income is earned and taxable. See the Corporate Income Tax Guide for details regarding the following apportionment methods.

Partnerships

Income is generally apportioned in one of two ways:

- Single—sales factor
- Colorado—source income of nonresident individuals method

S Corporations

Income is generally apportioned using the single—sales method.

Not Apportioning Income — An S corporation doing business only in Colorado will source 100% of its income to Colorado.

Single—Sales Factor — All business income must be apportioned using the single-sales factor. Nonbusiness income may either be directly allocated to the appropriate state or treated as business income, subject to the single—sales factor apportionment. Complete and include Part IV with your return if you are apportioning income using the single—sales factor apportionment method.

Colorado—Source Income of Nonresident—Colorado—source income apportioned under §39-22-109, C.R.S., is computed by including income that is determined to be from Colorado sources. Include a schedule with form DR 0106 explaining how Colorado—source income was determined. Modifications may be sourced to Colorado only to the extent that the income to which they relate is sourced to Colorado.

Completing the DR 0106

Income

Line 1 Enter the ordinary income or (loss) from line 1 of federal Schedule K.

Line 2 Enter the total of all other income listed on federal Schedule K. For partnerships, this would be the total of the amounts entered on lines 2, 3c, 4, 5, 6a, 7, 8, 9a, 10 and 11 of federal Schedule K. For S corporations, this would be the total of the amounts entered on lines 2, 3c, 4, 5a, 6, 7, 8a, 9 and 10 of federal Schedule K. Also include any gain from the sale of assets subject to section 179 of the Internal Revenue Code that is not reported on Schedule K.

Modifications and Deductions

Line 3 Enter the Colorado modifications that increase federal income.

Enter any interest income (net of premium amortization) from state or municipal obligations subject to tax by Colorado. Do not include interest from obligations issued by the State of Colorado or a subdivision thereof.

Line 4 Taxpayers who claimed a deduction for business interest under section 163 of the Internal Revenue Code are required to add to federal taxable income any additional deduction allowed as a result of the federal CARES Act (Public Law 116-136). The amount of the addition is equal to the difference (if any) between the amount the taxpayer actually claimed as a deduction on the federal return (the "amount claimed"), and the amount the taxpayer could have claimed if the CARES Act did not amend section 163(j) (the "amount allowed"). The amount claimed will normally be found on line 30 of IRS form 8890.

In general, calculating the amount allowed will require an adjustment to the applicable percentage, used in calculating line 26 of IRS form 8890, from 50% to 30%. Additionally, taxpayers who made an election under section 163(j)(10) (B) to use 2019 adjusted taxable income for taxable years beginning in 2020 must use adjusted taxable income for 2020 to calculate the amount allowed. Other special rules may apply to particular taxpayers, and taxpayers should review section 163(j) of the Internal Revenue Code and section 2306 of the CARES Act for further information.

Note - If you claimed the business interest expense deduction as part of a partnership, you may need to add this tax back at the individual level as well for each of your members. Please see the instructions for Line 4 of the individual income instruction booklet for more information.

Line 5 Sum of lines 1 through 4.

Line 6 Enter the allowable deductions from federal Schedule K. For partnerships, this would be the total of lines 12, 13c(2), and 13d of federal Schedule K; and for S corporations, this would be the total of lines 11, 12c(2), and 12d of federal Schedule K. Do not include amounts provided for informational pass-through purposes only (for example: domestic production activities deduction amounts).

Charitable contributions (line 13a, Schedule K, Form 1065, or line 12a, Schedule K, Form 1120S) and investment interest expense (line 13b, Schedule K, Form 1065, or line 12b, Schedule K, Form 1120-S) may be included on line 6 of the DR 0106, but only if a composite return is being filed for the 4.55% tax of the nonresident partners or shareholders. Report deductions that are directly related to business operations. Deductions that are not directly related to business operations may not be deducted as part of the composite return. Partners that wish to calculate and claim the benefit of these deductions must do so by filing individual Colorado income tax returns and may not be included in the composite return.

Line 7 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 include the pro forma schedule(s), the MED license number and the actual federal schedule(s) with your Colorado return to receive this deduction.

Line 8 Agricultural Asset Lease Deduction. Enter the certificate number (YY-###) for the deduction certificate that was provided by the Colorado Agricultural Development Authority (CADA). If you received more than one certificate you must file electronically. Enter the amount of the deduction on this line. The amount of deduction allowed to a qualified taxpayer may not exceed \$25,000. You must submit a copy of each certificate with your return.

Line 9 To the extent of that which was included in the federal taxable income on line 5 of the DR 0106, enter the sum of the following:

- Any interest income earned on obligations of the United States government and any interest income earned on obligations of any authority, commission, or instrumentality of the United States to the extent such obligations are exempt from state tax under federal law.
- The modification for foreign source income of an export taxpayer. For purposes of this modification, an "export taxpayer" means:

1.) any partnership which sells 50% or more of its products which are produced in Colorado in states other than Colorado, or in foreign countries; **or** 2.) if the gross receipts of such partnership are derived from the performance of services, such services are performed in Colorado by a partner or employee of the partnership and 50% or more of such services provided by the partnership are sold or provided to persons outside of Colorado. If a partnership qualifies as an export taxpayer, it may exclude for Colorado income tax purposes any income or gain which constitutes foreign source income for federal income tax purposes.

Neither the C corporation foreign income exclusion or the partnership export taxpayer foreign source income modification may be claimed by an S corporation or passed through to its shareholders.

Colorado–Source Income

Line 12 Enter the Colorado-source income. If part of the income is not Colorado-source income, see the instructions for Apportionment of Income. The Colorado income tax statute provides that in determining the source of a nonresident partner's income, no effect shall be given to a provision in the partnership agreement which characterizes payments to the partner as being for services or for the use of capital. Thus payments to partners, whether salaries or interest, shall be construed to be from Colorado sources and taxable by Colorado in the same ratio as is the ordinary income of the partnership.

The partnership will not normally determine income from Colorado sources for any corporate partner as the corporation will include its share of the partnership's income and factors in its own income and factors subject to allocation and apportionment.

Composite Return

Complete lines 13 through 28 of the DR 0106 only if a composite return is being filed for nonresident partners or shareholders.

Line 13 Enter the Colorado-source income of the nonresident partners or shareholders who are included in the composite return.

Line 14 Enter 4.55% of the Colorado-source income reported on line 13.

Line 15 Enter the non-refundable tax credits from the DR 0106CR line 27, Column C that are allocated to the nonresident partners or shareholders included in the composite return. Do not include any amounts from Column B on this line. You must submit the DR 0106CR with your return.

Line 16 Enter the gross conservation easement credit available to the nonresident partners or shareholders included in the composite return from the DR 1305G line 33. You must submit the DR 1305G with your return.

Line 17 Net tax. Add line 15 and 16, then subtract this sum from line 14. The sum of 15 and 16 may not exceed the amount on line 14.

Line 18 Carefully review payment records before completing this line. Use Revenue Online (Colorado.gov/RevenueOnline) to verify estimated taxes paid on the account. Doing so will reduce processing delays. Enter the amount of credit for prepayments. Include the sum of the following on line 18:

- estimated tax payments for 2020; *and*
- any overpayment from 2019 that was carried forward to 2020 ; *and*
- extension payment(s) remitted with the DR 0158-N; *and*
- payments remitted with the DR 1079 to satisfy withholding requirements for the sale of Colorado real estate that closed during the tax year for which you are filing this return. You must submit the DR 1079 with your return.

Line 19 Enter the amount of withholdings reported on Form W-2G made on lottery or gambling winnings. This will not apply to most taxpayers. You must submit the W-2G(s) with your return.

Line 20 Enter the refundable tax credits from the DR 0106CR line 31, Column C that are allocated to the nonresident partners or shareholders included in the composite return. Do not include any amounts from Column B on this line. You must submit the DR 0106CR with your return.

Line 22 If 90% of the tax is not paid by the due date, you must add a delinquent payment penalty. The penalty is the greater of \$5 or 5% of the additional tax due for the first month of delinquency and 0.5% for each additional month up to a maximum of 12%.

Line 23 Interest is due on any unpaid tax balance paid after the due date. The interest rate is 3%, but increases to 6% for any amount unpaid after 30 days.

Line 24 The estimated tax penalty is computed for each partner or shareholder on form DR 0204. This penalty applies only when the tax due for an individual included in the composite filing is more than \$1,000. If this penalty is due, you must submit form DR 0204 for each individual who owes the penalty and include the total penalty on line 25. If you over compute your estimated tax penalty from what the Department calculates, any amount of overpayment of penalty will be refunded to you.

Line 25 Enter the balance due, including any penalty or interest due from lines 22, 23, and 24.

Line 26 If the credits on line 21 exceed the tax due on line 17, enter the amount of the overpayment on line 26.

Line 27 Enter the amount from line 26 you want to credit to next year's estimated tax.

Line 28 Subtract line 27 from 26 to calculate the amount of your refund.

Direct Deposit – You have the option of authorizing the Department to directly deposit these funds into your bank account. Otherwise, a refund check will be mailed to the address you have designated on this return.

Enter the routing and account numbers and account type. The routing number is 9 digits. Account numbers can be up to 17 characters (numbers and/or letters). Include hyphens, but do NOT enter spaces or special symbols. We recommend that you contact your financial institution to ensure you are using the correct information and that they will honor a direct deposit.

Intercepted Refunds – The Department will intercept your refund if you owe back taxes or if you owe a balance to another Colorado government agency or the IRS.

Paid Preparer Authorization

Mark the "Yes" box to appoint the paid preparer entered on the return as the designee to receive and inspect confidential tax information related to this tax return. If a firm or organization is listed, this tax information

authorization will apply to any of its employees. A designee may:

- call for information about the return, including processing time and refund status;
- request copies of notices, bills or transcripts related to the return; *and*
- respond to inquiries regarding calculations and supporting documentation for the return.

However, a designee cannot sign any form or protest, request any other change to the account, receive any refund, or otherwise represent or act on behalf of the taxpayer with the Colorado Department of Revenue.

This authorization expires four years after the date the return is signed. A taxpayer may change or revoke it, or an appointee may withdraw from it. For more information, see the instructions for form DR 0145, Tax Information Authorization or Power of Attorney.



2020 Automatic Filing Extension for Composite Nonresident Income Tax Return (Calendar year—Due April 15, 2021)

**Filing extensions are granted automatically.
 Return this form only if you need to make an additional payment of tax.**

Colorado income tax returns are due the fifteenth day of the fourth month after the end of your tax year, or by April 15, 2021 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 six months to file your return, or until October 15, 2021 for traditional calendar year filers. While there is an extension to file, there is not an extension to the payment due date. Penalty and interest are assessed if certain payment criteria are not met. Please review FYI General 11 for more information on penalty and interest.

Pay Online

Visit *Colorado.gov/RevenueOnline* to pay online. Online payments reduce errors and provide instant payment confirmation. Revenue Online also allows users to submit

various forms and to monitor their tax account. Electronic Funds Transfer (EFT) Debit and Credit options are free services offered by the department. EFT services require pre-registration before payments can be made. Visit *Colorado.gov/Revenue/EFT* for more information.

The DR 0158-N is not required to be sent if an online payment is made. Please be advised that a nominal processing fee may apply to e-check or credit card payments.

Pass-Through Entities

Use this form only if the entity intends to file a composite return and claim the extension payment against the tax reported on the composite return. Payments made using the DR 0158-N for the composite entity cannot be distributed to or claimed on individual partner or shareholder returns.

DR 0158-N (08/17/20)			
For the calendar year 2020 or the fiscal year			
Fiscal Year Beginning (MM/DD/20)		Fiscal Year Ending (MM/DD/YY)	
Return this form with check or money order payable to the "Colorado Department of Revenue". Mail payments to Colorado Department of Revenue, Denver, Colorado 80261-0008. These addresses and zip codes are exclusive to the Colorado Department of Revenue, so a street address is not required. Write your Colorado Account Number or Federal Employer Identification Number and "2020 DR 0158-N" on your check or money order. Do not send cash. Enclose, but do not staple or attach, your payment with this form.			
FEIN		Colorado Account Number	
Business Name			
Address			
City		State	ZIP
			Amount of Payment
<small>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>			\$

**DO NOT CUT – Return Full Page
 IF NO PAYMENT IS DUE, DO NOT FILE THIS FORM**



200106 19999

2020 Colorado Partnership and S Corporation and Composite Nonresident Income Tax Return

Form with fields for Fiscal Year Beginning/Ending, Name of Organization, Colorado Account Number, Doing Business As, Federal Employer ID Number, Address, City, State, ZIP, and checkboxes for Amended Return, Partnership, S Corporation, LLC, LP, LLP, LLLP, Association, Non-Profit, etc.

Table with 2 columns: Description and Amount. Title: Part I: Computation of Colorado Income. Round to the nearest dollar. Rows include Ordinary income from line 1 federal Schedule K, Sum of all other income, Modifications increasing federal income, Business Interest Expense Deduction Addback, Sum of lines 1 through 4, Allowable deductions from federal Schedule K, Colorado Marijuana Business Deduction, and Agricultural asset lease deduction.



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Name	Account Number		
9. Other modifications decreasing federal income	● 9		
10. Sum of lines 6 through 9	10		00
11. Modified federal taxable income, subtract line 10 from line 5	11		00
12. Colorado-Source Income from (mark one):			
<input type="checkbox"/> Part IV <input type="checkbox"/> Other (include explanation) <input type="checkbox"/> Income is all Colorado Income	● 12		00

Part II: Composite Nonresident Income Tax Return

Do not complete lines 13–28 unless you are filing a composite nonresident return.

13. Colorado–source Income of nonresident partners or shareholders electing to be included in this composite filing	● 13		00
14. Tax; 4.55% of the amount on line 13	● 14		00
15. Non-refundable credits from the DR 0106CR line 27 column C, you must include the DR 0106CR with your return.	● 15		00
16. Gross Conservation Easement credit allocated to these partners or shareholders from the DR 1305G line 33. You must submit the DR 1305G with your return.	● 16		00
17. Net tax, sum of lines 15 and 16, then subtract this sum from line 14. The sum of lines 15 and 16 may not exceed the amount on line 14.	17		00
18. Estimated tax, extension payments, and credits	● 18		00
19. Withholding from lottery or gambling winnings	● 19		00
20. Refundable credits from the DR 0106CR line 31 column C, you must include the DR 0106CR with your return.	● 20		00
21. Subtotal; sum of lines 18 to 20	21		00
22. Penalty (include on Line 25)	● 22		00
23. Interest (include on Line 25)	● 23		00
24. Estimated tax penalty (include on Line 25)	● 24		00
25. If line 17 is greater than line 21, enter amount owed	● 25		
26. Overpayment, subtract line 17 from line 21	26		00
27. Overpayment to be credited to 2021 estimated tax	● 27		00
28. Overpayment to be refunded	● 28		00



Name	Account Number

I declare this return to be true, correct and complete under penalty of perjury in the second degree. Declaration of preparer is based on all information of which preparer has any knowledge.

Direct Deposit

Routing Number

Type: Checking Savings

Account Number

Do you want to allow the paid preparer entered below to discuss this return and any related information with the Colorado Department of Revenue? See the instructions. Yes No

Signature of partner or signature and title of officer	Date (MM/DD/YY)
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Person or firm preparing return (name and phone number)	Date (MM/DD/YY)
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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.

File and pay at: *Colorado.gov/RevenueOnline*

If you are filing this return **with** a check or payment, please mail the return to:

COLORADO DEPARTMENT OF REVENUE
Denver, CO 80261-000**6**

If you are filing this return **without** a check or payment, please mail the return to:

COLORADO DEPARTMENT OF REVENUE
Denver, CO 80261-000**5**

These addresses and zip codes are exclusive to the Colorado Department of Revenue, so a street address is not required.



Do not submit federal K-1 schedules

Name		Account Number	
Part III: Identification of Partners or Shareholders			
Part III must be completed for each partner/shareholder/member. DO NOT submit federal K-1 schedules.			
Name of Partner or Shareholder		SSN, ITIN or Colorado Account Number	
Address of Partner or Shareholder		City	State ZIP
<input type="checkbox"/> Composite <input type="checkbox"/> DR 0107 Included <input type="checkbox"/> DR 0108 Filed		Profit/Loss or Stock Ownership Percentage	
Name of Partner or Shareholder		SSN, ITIN or Colorado Account Number	
Address of Partner or Shareholder		City	State ZIP
<input type="checkbox"/> Composite <input type="checkbox"/> DR 0107 Included <input type="checkbox"/> DR 0108 Filed		Profit/Loss or Stock Ownership Percentage	
Name of Partner or Shareholder		SSN, ITIN or Colorado Account Number	
Address of Partner or Shareholder		City	State ZIP
<input type="checkbox"/> Composite <input type="checkbox"/> DR 0107 Included <input type="checkbox"/> DR 0108 Filed		Profit/Loss or Stock Ownership Percentage	
Name of Partner or Shareholder		SSN, ITIN or Colorado Account Number	
Address of Partner or Shareholder		City	State ZIP
<input type="checkbox"/> Composite <input type="checkbox"/> DR 0107 Included <input type="checkbox"/> DR 0108 Filed		Profit/Loss or Stock Ownership Percentage	
Name of Partner or Shareholder		SSN, ITIN or Colorado Account Number	
Address of Partner or Shareholder		City	State ZIP
<input type="checkbox"/> Composite <input type="checkbox"/> DR 0107 Included <input type="checkbox"/> DR 0108 Filed		Profit/Loss or Stock Ownership Percentage	



200106 59999

Name	Account Number

Part IV — Apportionable Income Apportioned to Colorado by use of the Receipts Factor

Do not send federal return forms or schedules with this return. Complete this form in accordance with section 39-22-303.6 C.R.S., and the regulations thereunder.

1. Total modified federal taxable income from the DR 0106, Part I, line 11	1	00
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Apportionable Income Apportioned to Colorado by use of the Receipts Factor

Do Not Include Foreign-source income modified out on the DR 0106, Part I, Line 9

	• Colorado	• Everywhere
2. Gross receipts from the sale of tangible personal property • 2	00	00
3. Gross receipts from the sale of services • 3	00	00
4. Gross receipts from the sale, rental, lease, or license of real property • 4	00	00
5. Gross receipts from the rental, lease, or license of tangible personal property • 5	00	00
6. Gross receipts from the sale, rental, lease, or license of intangible property • 6	00	00
7. Distributive share of partnership factors • 7	00	00
8. Total receipts (total of lines 2 through 7 in each column) • 8	00	00
9. Line 8 (Colorado) divided by line 8 (Everywhere) 9		%

Complete lines 10 and 13 only if nonapportionable income is being directly allocated.

If all income is being treated as apportionable income, enter 0 (zero) on lines 10 and 13.

10. Less income directly allocable to any state, including Colorado:

(a) Net rents and royalties from real or tangible property •	00
(b) Capital gains and losses •	00
(c) Interest and dividends •	00
(d) Patents and copyright royalties •	00
(e) Other nonapportionable income •	00
(f) Total income directly allocable [add lines (a) through (e)] 10	00

11. Modified federal taxable income subject to apportionment, subtract line 10(f) from line 1 11	00
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12. Income apportioned to Colorado, line 9 multiplied by line 11 12	00
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200106 69999

Name		Account Number	
13. Add income directly allocable to Colorado:			
(a) Net rents and royalties from real or tangible property	•	00	
(b) Capital gains and losses	•	00	
(c) Interest and dividends	•	00	
(d) Patents and copyright royalties	•	00	
(e) Other nonapportionable income	•	00	
(f) Total income directly allocable [add lines (a) through (e)]		13	00
14. Total income apportioned and allocated to Colorado, sum of lines 12 and 13(f). Enter here and on the DR 0106, Part I, line 12		14	00
15. <input type="checkbox"/> Pursuant to §39-22-303.6(8) C.R.S. , taxpayer elects to treat all income as apportionable income for the tax year covered by this return.			

Instructions for the DR 0106CR

In general, Colorado credits may be passed through from partnerships and S corporations to the partners or shareholders.

Some credits may be claimed only by individuals, estates or trusts where others may be claimed only by C corporations. Other credits may be available to all taxpayers. Credits allocated to some partners or shareholders cannot be redistributed to other partners or shareholders. For example, if a partnership consisted of a C corporation and an individual, the individual partner's share of the partnership's new investment tax credit could not be claimed by the corporation even though the individual partner is not allowed to use it.

Credit For Tax Paid to Other States Colorado resident S corporation shareholders may claim credit for their share of any net income tax paid to another state by the corporation when the other state does not recognize the S corporation election. Complete a separate DR 0106CR for each state to which tax was paid. Advise each Colorado resident shareholder of his or her share of the corporate income from sources in the other state and his or her share of the tax paid.

Old Investment Tax Credit is 10% of the tentative current year federal internal revenue code section 46 credit on

assets located in Colorado and may be claimed only by C corporations. (This would apply in the case of a partnership with a C corporation partner.) See guidance publication Corporate Income Tax Guide.

New Investment Tax Credit is basically 1% of the qualified investment in tangible personal property used in a trade or business in Colorado. This credit may be claimed only by C corporations. See guidance publication Corporate Income Tax Guide.

Credit for Employer Paid Leave of Absence for Live Organ Donation An income tax credit is available for employers who incurred expenses during the tax year by paying an employee during his or her leave of absence period (not to exceed ten working days or the hourly equivalent of ten working days per employee) for live organ donation and for the cost of temporary replacement help, if any, during an employee's leave of absence period. The amount of credit allowed is 35% of eligible expenses, as defined in statute. (§39-22-540, C.R.S.). You may not claim a tax credit related to a leave of absence period for an employee who you pay \$80,000 or more in wages during the income tax year. Review the instructions on form DR 0375 for more information. You must submit the DR 0375 with your return.

All Other Credits are available to all taxpayers. See the following FYI and guidance publications, which are available in the Tax Policy and Research section at Tax.Colorado.gov for additional information:

Historic Property Preservation	Income 1
Child Care Contribution	Income 35
Child Care Center Family Care Home Investment	Income 7
Employer Child Care Investment	Income 7
School-to-Career Investment	Income 32
Enterprise Zone Credits	Enterprise Zone Income Tax Credit Guide
Colorado Works Program	Income 34
Remediation of Contaminated Land	Income 42
Affordable Housing	See chfainfo.com/arh/lihtc/overview
Aircraft Manufacturer New Employee	Income 62
Job Growth Incentive	See ChooseColorado.com
Colorado Advanced Industries (Contact the Colorado Economic Development Commission. A credit certificate issued by the Commission must be submitted with any return claiming this credit.)	See ChooseColorado.com
Gross Conservation Easement	Income 39
Refundable Innovative Motor Vehicle and Innovative Truck	Income 69
Employer State Tuition Program Contribution	Income 44

Business Personal Property Credit

The income tax credit for business personal property taxes is limited to \$18,000 of the actual value of your personal property that you paid tax on during 2020. This is different

than real property, which is not eligible for this credit. If your actual value is less than \$18,000, you can claim the total amount of the assessment you paid, and you must include the assessor's statement(s) for which you are claiming the

credit. To find your actual value, either look for it on your statement, or find your assessed value and divide it by 0.29.

$$\text{Actual Value} = \text{Assessed Value}/0.29.$$

If you own personal property whose actual value is above \$18,000 for which you were assessed, you can only claim the assessment on the first \$18,000 of the property in question. You will need to prorate your assessment with the following formula:

$$\frac{18,000}{\text{actual value}} * \text{assessment} = \text{allowable credit}$$

For example, if your assessment was \$2,000 for personal property tax paid in 2020, but your actual value was \$25,000, you would be permitted to claim \$1,440 (72% of the tax assessed or $(\$18,000/\$25,000)*\$2,000$)).

- Please include a copy of your property tax statement for property tax paid in 2020.

***The Department strongly recommends electronic filing for taxpayers with enterprise zone credits. Failure to file electronically may result in delays processing your return.**

Note! There are two credits that are available for the preservation of historic properties and structures. Each credit has a different certification process and is subject to different limitations and qualification requirements.

The carry forward of prior year Historic Property Preservation credit (§39-22-514, C.R.S.) must be claimed on line 6 of the DR 0106CR. For more information on this credit, review FYI Income 1.

The Preservation of Historic Structures credit (§39-22-514.5, C.R.S.) must be claimed on lines 20 through 22 of the DR 0106CR. For more information on this credit, review resources available online from the Colorado Office of Economic Development or from History Colorado.



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2020 Colorado Pass-Through Entity Credit Schedule

Organization Name	Colorado Account Number					
Credit for Tax Paid to Another State by an S-Corporation						
1. Name of other state ● 1						
2. Total income from sources in the other state ● 2	00					
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;"></td> <td style="width: 15%; text-align: center;">● A. Tax Paid</td> <td style="width: 20%; text-align: center;">● B. Tax Allocated to Partners or Shareholders not included in this composite</td> <td style="width: 20%; text-align: center;">● C. Tax Allocated to Partners or Shareholders included in this composite</td> <td style="width: 30%;"></td> </tr> </table>		● A. Tax Paid	● B. Tax Allocated to Partners or Shareholders not included in this composite	● C. Tax Allocated to Partners or Shareholders included in this composite	
	● A. Tax Paid	● B. Tax Allocated to Partners or Shareholders not included in this composite	● C. Tax Allocated to Partners or Shareholders included in this composite			
3. Tax liability to other state ● 3	00					
Non-refundable Credits						
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;"></td> <td style="width: 15%; text-align: center;">● A. Credit Available</td> <td style="width: 20%; text-align: center;">● B. Credit Allocated to Partners or Shareholders not included in this composite</td> <td style="width: 20%; text-align: center;">● C. Credit Allocated to Partners or Shareholders included in this composite</td> <td style="width: 30%;"></td> </tr> </table>		● A. Credit Available	● B. Credit Allocated to Partners or Shareholders not included in this composite	● C. Credit Allocated to Partners or Shareholders included in this composite	
	● A. Credit Available	● B. Credit Allocated to Partners or Shareholders not included in this composite	● C. Credit Allocated to Partners or Shareholders included in this composite			
4. New investment credit ● 4	00					
5. Old investment tax credit ● 5	00					
6. Carry forward of prior year Historic property preservation credit (per §39-22-514, C.R.S.) ● 6	00					
7. Child care contribution credit, you must submit the DR 1317 with your return. ● 7	00					
8. Child care center, family care home investment credit, you must submit a copy of your facility license and a list of depreciable tangible personal property with your return. ● 8	00					
9. Employer child care investment credit, you must submit a copy of your facility license and a list of depreciable tangible personal property with your return. ● 9	00					
10. School-to-career investment credit, you must submit your certification letter with your return. ● 10	00					
11. Colorado works program credit, you must submit a copy of the letter from the county Department of Social/Human Services with your return. ● 11	00					
12. Remediation of contaminated land credit, you must submit authorization from CDPHE with your return. ● 12	00					
13. Aircraft manufacturer new employee credit, you must submit the DR 0085 and DR 0086 with your return. ● 13	00					
14. Colorado job growth incentive credit, you must submit certification from the EDC with your return. ● 14	00					
15. Credit for advanced industries, you must submit certification from the EDC with your return. ● 15	00					



200106CR29999

Name		Account Number					
		● A. Credit Available		● B. Credit Allocated to Partners or Shareholders not included in this composite		● C. Credit Allocated to Partners or Shareholders included in this composite	
16.	Certified auction group license fee credit, you must submit a copy of the certification with your return. ● 16	00		00		00	
17.	Non-refundable Enterprise Zone credits from the DR 1366 line 87, you must submit the DR 1366 with your return. ● 17	00		00		00	
18.	Affordable housing credit, you must submit the CHFA certification with your return. ● 18	00		00		00	
19.	Credit for food contributed to hunger-relief charitable organizations, you must submit the DR 0346 with your return. ● 19	00		00		00	
20.	Preservation of Historic Structures credit (per §39-22-514.5, C.R.S.) carried forward from a prior year. ● 20	00		00		00	
21.	Preservation of Historic Structures credit (per §39-22-514.5, C.R.S.), you must submit the certificate from OEDIT or local granting authority with your return. ● 21	00		00		00	
22.	If you are claiming the Preservation of Historic Structures credit enter your credit certificate number issued by OEDIT or History Colorado. ● 22						
23.	Rural Jump Start Zone credit, you must submit certificate from Office of Economic Development AND the DR 0113 with your return. ● 23	00		00		00	
24.	Strategic Capital Tax Credit from DR 1330, you must submit the DR 1330 with your return. ● 24	00		00		00	
25.	Credit for employer contributions to employee 529 plan, you must submit the DR 0289 with your return. ● 25	00		00		00	
26.	Credit for employer paid leave of absence for live organ donation. Employer must complete and submit form DR 0375 with their return. ● 26	00		00		00	
27.	Total non-refundable credits, sum of lines 4 through 26. Enter here and transfer the amount in Column C to line 15 on the DR 0106 composite return. ● 27	00		00		00	
Refundable Credits							
28.	Business Personal Property credit - use the worksheet in the 106 Book instructions to calculate. You must submit a copy of the assessor's statement with your return. ● 28	00		00		00	
29.	Innovative Motor Vehicle and Innovative Truck credit from form DR 0617, you must submit the DR 0617(s) with your return. ● 29	00		00		00	
30.	Refundable Enterprise Zone credits from the DR 1366 line 88, you must submit the DR 1366 with your return. ● 30	00		00		00	
31.	Total refundable credits, sum of lines 28 through 30. Enter here and transfer the amount in Column C to line 20 on the DR 0106 composite return. ● 31	00		00		00	



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