



Alabama Department of Revenue  
**Family Limited Liability Entity Election Form**  
(DISREGARDED ENTITIES DO NOT QUALIFY FOR THE FAMILY LIMITED LIABILITY ENTITY ELECTION)

1a FEIN

1b ELECTING FAMILY LIMITED LIABILITY ENTITY

1c Determination Period End Date  
(Balance Sheet Date):

(mm/dd/yyyy)

The following information must be provided in order for this election to be effective.

**PART 1 – 80% OWNERSHIP TEST ( ATTACH SUPPORTING DOCUMENTATION )**

Partners' capital account from Form 1065, Schedule L: ..... \$ ● \_\_\_\_\_

Percentages of partners' capital accounts that are directly or constructively owned by:

Primary Partner: ..... ● \_\_\_\_\_ %  
 Spouse: ..... ● \_\_\_\_\_ %  
 Parents: ..... ● \_\_\_\_\_ %  
 Grandparents: ..... ● \_\_\_\_\_ %  
 Lineal descendants of grandparents: ..... ● \_\_\_\_\_ %  
**Total** ..... ● \_\_\_\_\_ %

**PART 2 – TAXPAYER MUST COMPLETE AT LEAST ONE OF THE FOLLOWING. ( ATTACH SUPPORTING DOCUMENTATION )**

(a) **Gross Receipts Test:** 90% or more of the gross receipts of the entity consist of any combination of the following:

(i) Interest ..... ● \_\_\_\_\_ %  
 (ii) Dividends/distributions/payments on stock or securities ..... ● \_\_\_\_\_ %  
 (iii) Rents, license fees or other fees for use of property ..... ● \_\_\_\_\_ %  
 (iv) Receipts from sale or leasing of timber or timberland ..... ● \_\_\_\_\_ %  
 (v) Royalties ..... ● \_\_\_\_\_ %  
 (vi) Annuity payments ..... ● \_\_\_\_\_ %  
 (vii) Proceeds from sale of asset not in ordinary course of business ..... ● \_\_\_\_\_ %  
**Total** ..... ● \_\_\_\_\_ %

(b) **Assets Test:** The aggregate adjusted basis of the following assets constitutes at least 90% of the adjusted basis of all of the entity's assets:

(i) Cash or cash equivalents ..... ● \_\_\_\_\_ %  
 (ii) Stocks, bonds, debentures, notes or other securities ..... ● \_\_\_\_\_ %  
 (iii) Timber or timberlands ..... ● \_\_\_\_\_ %  
 (iv) Annuities ..... ● \_\_\_\_\_ %  
 (v) Assets held principally for appreciation and not production of income ..... ● \_\_\_\_\_ %  
 (vi) Mutual funds ..... ● \_\_\_\_\_ %  
 (vii) Assets not used directly in the conduct of the entity's business ..... ● \_\_\_\_\_ %  
 (viii) Royalty interests ..... ● \_\_\_\_\_ %  
**Total** ..... ● \_\_\_\_\_ %

This entity is making an election to be an electing family limited liability entity as described in *Code of Alabama 1975, §40-14A-1(h)*. The signature on page 1 of Form PPT or Form BPT-IN is certification that the profits and capital interests of the entity were calculated using the constructive ownership rules of 26 U.S.C. §318, without regard to the 50% limitation contained in 26 U.S.C. §318(a)(2)(C) and 26 U.S.C. §318(a)(3)(C).