

**SUMMARY EXPLANATION OF  
2012 SCHEDULE K-1**

**IMPORTANT NOTICE**

**PLEASE READ THESE INSTRUCTIONS AS THE IRS USES CODES ON LINE ITEMS  
TO IDENTIFY INCOME, LOSSES, AND DEDUCTIONS AS REPORTED ON THE  
SCHEDULE K-1.**

This summary is provided by Atlas Resources, LLC, Viking Resources, LLC and Resource Energy, LLC to you as a general explanation of the tax treatment of the items set forth on Schedule K-1 for your Partnership. This information is not intended to be, nor should it be, construed as tax advice with regard to the preparation of your individual income tax return. The partnership and individual income tax laws are complex and may be subject to varying interpretations. You are urged to consult with your tax advisor concerning the proper reporting on your individual income tax return of the Partnership tax items set forth on Schedule K-1.

Key Information	Schedule K-1	Form 1040	Key Information	Schedule K-1	Form 1040
Ordinary Business Income/(Loss)	Line 1	Schedule E Part II	Alternative minimum tax items:		
Interest Income	Line 5	Schedule B Line 1	Post-1986 depreciation adjustment	Line 17 A	Form 6251 Line 18
Net Section 1231 Gain/(Loss)	Line 10	Form 4797	Oil, gas, & geothermal—gross income	Line 17 D	See your tax advisor
Intangible Drilling Costs	Line 13 J	Schedule E Part II or 4562 Line 42	Oil, gas, & geothermal—deductions	Line 17 E	See your tax advisor
Self Employment Net Earnings (Loss)	Line 14 A	Schedule SE Section A or B Line 2	Cash Distributions	Line 19 A	See your tax advisor
Gross Non Farm Income	Line 14 C	Schedule SE Section B Part II	Other Information:		
			Investment Income	Line 20 A	Form 4952 Line 4a
			Percentage Depletion	Line 20 T	Schedule E Part II
			State Reporting Information	Line 20 Y	Schedule A - Line 5A

**Common Reporting Errors:** If you invested in the Atlas Resources Series 32 – 2012 L.P., then 2012 is the first year of this partnership. If on the Schedule K-1 you are designated as a general partner of this 2012 Partnership, be sure to treat your share of income, if any, and deductions as derived from a non-passive activity on Schedule E Part II to Federal Form 1040. The most common reporting error is treating the full amount of the intangible drilling cost (IDC) as a tax preference item for purposes of the alternative minimum tax. The IDC deduction should not be a tax preference item if it does not exceed 40 percent of alternative minimum taxable income. If you were self-employed and invested in Series 32 as an investor general partner the IDC deduction (Line 13J) along with any self-employment income (Line 14A) should be reported on the SE Form to the Federal Form 1040. If you elect to amortize your IDC costs over 60 months please be sure to appropriately adjust the amount on Line 14A by your intangible drilling cost deduction from Line 13J.

If you are using a commercial tax software package, please respond to certain questions as follows: 1) The investment is at risk, 2) the partnership is NOT a publically traded partnership, and 3) as a general partner you materially participate.

**IRS CIRCULAR 230 DISCLOSURE:** Any statement contained in this communication (including any attachments) concerning U.S. tax matters is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code, or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

**Line 1-Ordinary Business Income (Loss)**

***Original Investor General Partners:***

This is your share of the Partnership's income or loss from its ordinary business activities, exclusive of separately stated items from Schedule K-1 line 13J and 20T. If this is the initial year of the Partnership and you were admitted to the Partnership as a general partner and are designated as a general partner on Schedule K-1, report this amount on Form 1040's Schedule E, Supplemental Income and Loss, Part II, Non-passive Income and Loss, column (h) if a loss, or column (j) if Line 1 reports income.

***Original Limited Partners:***

If you were admitted to the Partnership as a limited partner, your share of the Partnership's ordinary income and loss for each year is characterized as derived from a passive activity. Report your share of intangible drilling costs set forth on Schedule K-1, Line 13 J, that you elect to deduct or amortize for the year as discussed below, depreciation on Schedule K-1, Line 17A and percentage depletion on Schedule K-1, Line 20 T, on Schedule E, Part II, column (f) to the extent allowed under Form 8582, Passive Activity Loss Limitations. Use column (g) to report passive income. Passive income and losses must first be reported on Form 8582. Form 8582 instructions and related worksheets will guide you to the proper reporting of your passive activity income and losses.

***Investor General Partners Who Have Been Converted to Limited Partners:***

If you subscribed to the Partnership at any time prior to 2012 and you originally were admitted to the Partnership as a general partner, your Schedule K-1 should have you designated as a limited partner, and if the netting of your items of Partnership deductions against your income from the Partnership on Schedule E, Part II, to your Form 1040, results in net income, treat these items as Non-passive Income and Loss on Schedule E, Part II. Conversely, if the netting of these items results in a net loss, treat these items as Passive Losses on Schedule E, Part II to the extent allowed under Form 8582. Consult with your tax advisor about netting separately stated items on Schedule K-1 to report a combined ordinary income or loss amount.

***Depreciation:***

Your share of depreciation (including bonus depreciation when allowed) has been netted against your Ordinary Business Income (Loss) on Part III, Line 1 of the Federal Form K-1. It is not reflected as a separately stated item. Under President Obama's Small Business Jobs Act of 2010, 50% bonus depreciation deduction has been taken for assets placed in service in 2012 for Atlas Resources Public 18-2009 (C) L.P., Atlas Resources Series 28-2010 L.P., Atlas Resources Series 30-2011 L.P., Atlas Resources Series 31-2011 L.P. and Atlas Resources Series 32-2012 L.P. If you subscribed to an Atlas partnership prior to 2006 your partnership has no depreciation deductions as the assets have been fully depreciated. For all others depreciation is reported as stated above.

**Line 5-Interest Income**

Portfolio interest is any interest income earned by the Partnership after the final closing of the Partnership. This amount is to be reported on Form 1040, Line 8a, or if applicable, Form 1040's Schedule B, Interest and Ordinary Dividends, Part 1, Line 1. List the Partnership name from Schedule K-1 as the payer. Interest on your subscription proceeds paid to you during 2012 and earned before the final closing of the Partnership was reported to you on a separate Form 1099.

**Line 10-Net section 1231 gain (loss):** Please see 2012 Partner's Instructions for Schedule K-1 (provided by the Internal Revenue Service).

**Line 13-Other Deductions**

***Separately Stated Items:***

***Intangible Drilling Costs Special Rules***

You may elect to deduct all, or a portion, of your share of intangible drilling costs currently or to capitalize all, or a portion, of the intangible drilling costs and amortize them ratably over a 60-month period beginning with the month or months the costs were paid or incurred.

If you invested in the Atlas Resources Series 32 - 2012 L.P, then 2012 is the first year of your Partnership. You should report your 2012 intangible drilling costs, or the amount of these costs allocable to 2012 which you elected to amortize on Line 42 of Form 4562, Depreciation and Amortization. If you originally were admitted to the Partnership as a general partner and are designated as a general partner on Schedule K-1 you should report your intangible drilling costs on a separate line in Part II, column (h) of Schedule E of Form 1040. Also, see Line 14A Net Earnings (Loss) From Self-Employment below.

If you subscribed to the Partnership at any time prior to 2012 and you originally were admitted to the Partnership as a general partner, but your interest was converted to that of a limited partner, report your deduction or amortization amount of intangible drilling costs on a separate Line in Part II of Schedule E to Form 1040, and follow the instructions above for netting of your items of Partnership loss and deductions (including the deduction for intangible drilling costs which you elect to deduct or amortize for 2012) against your income from the Partnership.

***Other Rules:***

Certain items such as intangible drilling costs are specially allocated according to the Partnership Agreement between the Managing General Partner and the other partners and are therefore separately stated on your Schedule K-1. This item has not been used to compute ordinary income or loss on Line 1 of Schedule K-1. Therefore, be sure to report it on Schedule E, Part II, under the appropriate column.

If you subscribed to the Partnership at any time prior to 2012 and entered the Partnership as an original general partner, and your Schedule K-1 has you designated as a limited partner, and if the netting of your items of Partnership loss and deductions against your income from the Partnership results in net income, treat these items as Non-passive Income and Loss on Schedule E, Part II. Conversely, if the netting of these items results in a net loss, treat these items as Passive Income and Losses on Schedule E, Part II to the extent allowed under Form 8582. Consult with your tax advisor about netting separately stated items on Schedule K-1 with ordinary income and loss on Line 1 of Schedule K-1 to report a combined ordinary income or loss amount.

**Line 14A Self-Employment Earnings (Loss)**

If you invested in Atlas Resources Series 32 - 2012 L.P., then 2012 is the initial year of the Partnership and if you were admitted as a general partner and you are designated as a general partner on Schedule K-1, your intangible drilling costs and any income or loss reported on Schedule K-1 constitutes net earnings or loss from self-employment as explained in the instructions for Schedule SE, Self-Employment Tax, to Form 1040. Be sure to report the information on Line 14A on Schedule SE Line 2 of Section A or B whichever is applicable. This rule applies only to the initial year of the Partnership and only for Investor General Partners. Therefore, if you were admitted to any other Partnership prior to 2012 as a limited partner, or if your general partner interest has been converted to that of a limited partner, your share of income or loss is excluded from the definition of net earnings from self-employment.

**Line 14C – Gross Non-farm Income**

If you are an individual partner, use this amount to figure net earnings from self-employment under the non-farm optional method on Schedule SE, Section B, Part II. Only taxpayers meeting certain requirements may use the optional method for calculating self-employment tax. Please consult with your tax advisor if you have further questions regarding this method.

**Line 17 - Alternative Minimum Tax**

***Intangible Drilling Costs:***

The general rule is that intangible drilling costs for an independent oil and gas producer, like Atlas, are not considered as a tax preference item for purposes of computing the alternative minimum tax on Form 6251 Alternative Minimum Tax – Individuals. To this general rule is an exception. To determine if the exception applies you must reduce the amount of your excess intangible drilling costs by 65% of your net income from oil and gas properties. The instructions to Form 6251 explain how to calculate your excess intangible drilling costs. Please note that this calculation does not apply to any intangible drilling costs for which you elect 60-month amortization for purposes of the regular tax as discussed above. Your net income from oil and gas properties is the amount on Schedule K-1, Line 17 D less the amount on Line 17 E and less your percentage depletion deduction on Line 20 T

(reduced by the amount of your excess intangible drilling costs). The remaining amount will then be a tax preference item to the extent that it exceeds 40% of your alternative minimum taxable income calculated with all of your applicable intangible drilling costs being treated as a tax preference item but without the alternative tax net operating loss deduction. The tax preference amount is reported on Form 6251, Line 26. If you are using a commercial tax software packages, please respond to certain questions as follows: 1) The investment is at risk, 2) the partnership is NOT a publically traded partnership, and 3) as a general partner you materially participate.

***Depreciation Line 17A:***

The amount on Line 17A represents the alternative minimum tax (AMT) depreciation adjustment on property placed in service after 1986 and should be reported on Line 18 of Form 6251, Alternative Minimum Tax-Individuals. Your share of depreciation (including bonus depreciation when allowed) has been netted against your Ordinary Business Income (Loss) on Part III, Line 1 of the Federal Form K-1. It is not reflected as a separately stated item.

***Depletion Line 17D and E:***

Percentage depletion deductions are not a preference item for computing the alternative minimum tax on Form 6251. Percentage depletion for 2012 is 15% of gross income for all the partnership's producing wells however, the limitation on percentage depletion is 100 percent of net income from the well. All partnership wells are considered to be "marginal production" wells as that term is defined in the Internal Revenue Code. Your depletion deduction is reported on Schedule K-1 Line 20 T. The net income for either the entire partnership or the limited partners' interest is listed on your depletion schedule. The depletion deduction has not been used to or included in the computation of ordinary income or loss on Line 1 of the Schedule K-1.

**Line 19A- Cash Distributions**

Schedule K-1, Line 19 A, represents the amount of your Gross Partnership cash distributions before deducting any appropriate state withholding tax (if applicable) reported on Line 20 Y.

**Line 20-Other Information**

The amount of investment income is reported on Line 20 A, percentage depletion deduction is reported on Line 20 T and Pennsylvania, West Virginia, New York, Colorado, Michigan and Indiana income tax withholding, if any, is reported on Line 20 Y.

**Domestic Production Activities Deduction** – None of the Atlas partnerships qualify for the deduction because of the payroll requirement.

**State Resident/Nonresident Income Tax Return Filing Requirements (Nonresidents may not have to file)**  
**Confirmation of state filing elections were mailed with the 2012 K-1 mailings.**

**If your investment in an Atlas Partnership is registered under an EIN (Employer Identification Number), you are REQUIRED to file in each state although Colorado does allow some nonresident estates, trusts and other pass through entities in the composite return. No taxes have been withheld and paid to the applicable states on your behalf (unless the partnership is required to withhold). (Example: C-Corporations, S-Corporations, Trusts, Estates, Partnerships, Limited Liability Companies and Tax Exempt Companies)**

***Pennsylvania:*** Your partnership will file the Pennsylvania Nonresident Consolidated Income Tax Return (PA-40 NRC) on behalf of Pennsylvania Individual nonresidents who elected to be part of the consolidated tax return. If you are a resident of Pennsylvania, an entity with an EIN or as an individual entity you did not make the election to participate in the consolidated return, please consult with your tax advisor concerning the proper reporting to Pennsylvania.

***Ohio:*** Your partnership will file the Ohio Composite Income Tax Return for Certain Investors in a Pass-Through Entity on behalf of all investors eligible to be included in the filing of the composite return. C Corporations cannot be included in a composite return.

***New York:*** Partners in **Atlas America Series 27-2006 L.P.** and **Atlas Resources Public #16-2007 (A) L.P.** have wells located in New York and will receive an IT-204-IP. Your partnership will file the New York Nonresident Composite Income Tax Return on behalf of New York individual nonresidents who elected to be part of the composite return. If you are a resident of New York, an entity with an EIN, a grantor trust or you did not make the election to participate in the composite return, please consult with your tax advisor concerning the proper reporting to New York.

***West Virginia:*** Partners in **Atlas Resources Public #16-2007 (A) L.P., Atlas Resources Public #17-2007 (A) L.P., Atlas Resources Public # 18-2008 (A) L.P. and Atlas Resources Series 30-2011 L.P.** have wells located in West Virginia and will receive a West Virginia Schedule K-1 Equivalent. If you are a resident of West Virginia, an entity with an EIN or you did not make the election to participate in the composite return, please consult with your tax advisor concerning the proper reporting to West Virginia. **Atlas Resources Public #16-2007 (A) L.P., Atlas Resources Public #17-2007 (A) L.P., Atlas Resources Public # 18-2008 (A) L.P. and Atlas Resources Series 30-2011 L.P.,** will file and pay any applicable state franchise and excise tax due to West Virginia.

***Indiana:*** Partners in **Atlas Series 28-2010 L.P., Atlas Resources Public # 18-2008 (A) L.P., Atlas Resources Public # 18-2009 (B) L.P., and Atlas Resources Public # 18-2009 (C) L.P.** have wells located in Indiana. Your partnership will file the Indiana Nonresident Composite Income Tax Return on behalf of Indiana nonresidents. All nonresident individual partners are required to be included in the composite return. If your investment in Atlas is registered under an EIN you must file an Indiana State Income Tax Return each year. If you are a resident of Indiana or an entity with an EIN, please consult with your tax advisor concerning the proper reporting to Indiana.

***Michigan:*** Partners in **Atlas Resources Series 28-2010 L.P., Atlas Resources Public # 18-2008 (A) L.P., Atlas Resources Public # 18-2009 (B) L.P., and Atlas Resources Public # 18-2009 (C) L.P.** have wells located in Michigan. Your partnership will file the Michigan Nonresident Composite Income Tax Return on behalf of Michigan nonresidents who elected to be part of the composite return. If you are a resident of Michigan, an entity with an EIN, or you did not make the election to participate in the composite return, please consult with your tax advisor concerning the proper reporting to Michigan.

***Tennessee:*** The partnership (if applicable) will file and pay any state franchise and excise tax due to Tennessee. Tennessee individual income tax applies only to those legally domiciled in Tennessee; therefore, nonresidents do not have a filing requirement for partnership pass-through income.

***Colorado:*** **Atlas Resources Series 28-2010 L.P., Atlas Resources Series 30-2011 L.P., and Atlas Resources Series 31-2011 L.P.** have wells located in Colorado. Your partnership will file the Colorado Nonresident

Composite Income tax return on behalf of all Colorado nonresidents who elected to be part of the composite return. C Corporations cannot be included in a composite return.

**Oklahoma:** Atlas Resources Series 31-2011 L.P. and Atlas Resources Series 32-2012 L.P. have wells located in Oklahoma. Your partnership will file the Oklahoma Partnership Composite Income Tax Supplement on behalf of all Oklahoma nonresidents who elected to be part of the composite return. Any nonresident partner may be included in the composite return, unless the partner is or is electing to be treated as a Sub S Corporation or partnership.

**Please consult with your tax advisor concerning the proper reporting to the IRS and each applicable state reporting requirement.**

Atlas Resources, LLC  
Park Place Corporate Center One,  
1000 Commerce Drive, Suite 410  
Pittsburgh, PA. 15275  
800-251-0171, Option # 3  
412-262-7430 (Fax)  
Website: [www.atlasresourcepartners.com](http://www.atlasresourcepartners.com)  
E-Mail: [investorservices@atlasenergy.com](mailto:investorservices@atlasenergy.com)

## Key Tax Points

**INTANGIBLE DRILLING COSTS:** Includes expenditures for wages, fuel, repairs, hauling, supplies and other costs and expenses incident to and necessary for drilling a well and preparing it for production of oil or gas. These costs do not create salvage value. Intangible drilling costs can, at the election of the taxpayer, be either deducted in the year paid or amortized over a sixty-month period. IRC Sections 263(c), 59(e), and Treas. Reg. Section 1.612-4(a).

**PASSIVE ACTIVITY EXCEPTION:** The term passive activity does not include any working interest in any oil or gas property which the taxpayer holds directly or through an entity under which state law does not limit the liability of the taxpayer with respect to such interest. IRC Section 469(c) (3) (A).

**PASSIVE ACTIVITY EXCEPTION FOLLOWING CONVERSION:** Investor general partners have non-passive losses in the year of the investment as a result of the deduction for intangible drilling costs and will have their net income from partnership wells following conversion to limited partner status characterized as non-passive income. IRC Section 469(c) (3) (B).

**ALTERNATIVE MINIMUM TAX:** For independent producers, such as investors in an oil and gas partnership, the 1992 National Energy Bill repealed the preferences for excess intangible drilling costs and excess percentage depletion for natural gas and oil. Repeal of the excess intangible drilling costs preference, however, under current law may not result in more than a 40% reduction in the amount of the taxpayer's alternative minimum taxable income computed as if the excess intangible drilling costs preference had not been repealed. IRC Section 57(a) (2) (E).

**DEPRECIATION:** The costs of most equipment placed in service by a partnership will be recovered through depreciation deductions over a seven-year cost recovery period using the 200% declining balance method with a switch to straight line. IRC Section 168(b) and (c).

Your Partnership elected to claim federal bonus depreciation allowable for property placed in service during the tax year ending December 31, 2012. On September 27, 2010 President Obama signed into law the Small Business Jobs Act of 2010 providing for additional federal bonus depreciation. For equipment placed in service between January 1, 2012 and December 31, 2012 bonus depreciation equals 50%. Please note that not all states accept bonus depreciation.

**SELF-EMPLOYMENT:** An investor general partner's share of income or loss from an oil and gas partnership will constitute net earnings from self-employment. IRC Section 1402(a) and 1402(a) (13).

**CONVERSION FROM INVESTOR GENERAL PARTNER TO LIMITED PARTNER:** An investor general partner's conversion to limited partner status should not have adverse tax consequences unless there is a reduction in the partner's share of the partnership's debt, if any as a result of the conversion. Rev. Rul. 84-52, 1984 -1 C.B.157.

**SPECIAL RULE FOR SPUDDING WELLS:** Amounts paid during the tax year for drilling an oil or gas well are deductible in the year paid if drilling of the well commences before the close of the 90th day after the close of the partnership's tax year. IRC Section 461(i) (2) (A).

**DOMESTIC PRODUCTION ACTIVITIES DEDUCTION** – IRC Section 199 (new in 2005): None of the Atlas partnerships qualify for the deduction because of the payroll requirement.

**MARGINAL WELL PRODUCTION CREDITS:** If the reference price published by the IRS for natural gas is less than \$2 per mcf (1,000 cubic feet) or the reference price for oil is less than \$18 per barrel, there is a tax credit of up to 50¢ per mcf of domestic natural gas, or up to \$3 per barrel of domestic oil production, from any number of qualified marginal wells as defined for percentage depletion purposes, up to 1,095 barrels of oil or approximately 6,220 mcf of natural gas per well, per year. IRC Section 45I.

**SCHEDULE E  
(Form 1040)**

**Supplemental Income and Loss**

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)

OMB No. 1545-0074

**2012**

Attachment  
Sequence No. **13**

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to Form 1040, 1040NR, or Form 1041.

▶ Information about Schedule E and its separate instructions is at [www.irs.gov/form1040](http://www.irs.gov/form1040).

Name(s) shown on return

Your social security number

**Part I Income or Loss From Rental Real Estate and Royalties** **Note.** If you are in the business of renting personal property, use **Schedule C or C-EZ** (see instructions). If you are an individual, report farm rental income or loss from **Form 4835** on page 2, line 40.

**A** Did you make any payments in 2012 that would require you to file Form(s) 1099? (see instructions)  Yes  No

**B** If "Yes," did you or will you file required Forms 1099?  Yes  No

<b>1a</b>	Physical address of each property (street, city, state, ZIP code)				
<b>A</b>					
<b>B</b>					
<b>C</b>					
<b>1b</b>	Type of Property (from list below)	<b>2</b> For each rental real estate property listed above, report the number of fair rental and personal use days. Check the <b>QJV</b> box only if you meet the requirements to file as a qualified joint venture. See instructions.	Fair Rental Days	Personal Use Days	QJV
<b>A</b>			<b>A</b>		
<b>B</b>			<b>B</b>		
<b>C</b>			<b>C</b>		

**Type of Property:**

- 1 Single Family Residence      3 Vacation/Short-Term Rental      5 Land      7 Self-Rental
- 2 Multi-Family Residence      4 Commercial      6 Royalties      8 Other (describe)

Income:		Properties:		A	B	C
<b>3</b>	Rents received . . . . .	<b>3</b>				
<b>4</b>	Royalties received . . . . .	<b>4</b>				
<b>Expenses:</b>						
<b>5</b>	Advertising . . . . .	<b>5</b>				
<b>6</b>	Auto and travel (see instructions) . . . . .	<b>6</b>				
<b>7</b>	Cleaning and maintenance . . . . .	<b>7</b>				
<b>8</b>	Commissions. . . . .	<b>8</b>				
<b>9</b>	Insurance . . . . .	<b>9</b>				
<b>10</b>	Legal and other professional fees . . . . .	<b>10</b>				
<b>11</b>	Management fees . . . . .	<b>11</b>				
<b>12</b>	Mortgage interest paid to banks, etc. (see instructions) . . . . .	<b>12</b>				
<b>13</b>	Other interest. . . . .	<b>13</b>				
<b>14</b>	Repairs. . . . .	<b>14</b>				
<b>15</b>	Supplies . . . . .	<b>15</b>				
<b>16</b>	Taxes . . . . .	<b>16</b>				
<b>17</b>	Utilities . . . . .	<b>17</b>				
<b>18</b>	Depreciation expense or depletion . . . . .	<b>18</b>				
<b>19</b>	Other (list) ▶ . . . . .	<b>19</b>				
<b>20</b>	Total expenses. Add lines 5 through 19 . . . . .	<b>20</b>				
<b>21</b>	Subtract line 20 from line 3 (rents) and/or 4 (royalties). If result is a (loss), see instructions to find out if you must file <b>Form 6198</b> . . . . .	<b>21</b>				
<b>22</b>	Deductible rental real estate loss after limitation, if any, on <b>Form 8582</b> (see instructions) . . . . .	<b>22</b>	(	)	(	)
<b>23a</b>	Total of all amounts reported on line 3 for all rental properties . . . . .	<b>23a</b>				
<b>b</b>	Total of all amounts reported on line 4 for all royalty properties . . . . .	<b>23b</b>				
<b>c</b>	Total of all amounts reported on line 12 for all properties . . . . .	<b>23c</b>				
<b>d</b>	Total of all amounts reported on line 18 for all properties . . . . .	<b>23d</b>				
<b>e</b>	Total of all amounts reported on line 20 for all properties . . . . .	<b>23e</b>				
<b>24</b>	<b>Income.</b> Add positive amounts shown on line 21. <b>Do not</b> include any losses . . . . .	<b>24</b>				
<b>25</b>	<b>Losses.</b> Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here . . . . .	<b>25</b>	(	)		
<b>26</b>	<b>Total rental real estate and royalty income or (loss).</b> Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2 . . . . .	<b>26</b>				



Please Note: Original general partners converted to limited partners - If the net amount from amortized IDCs, % depletion yields a loss, these items must be claimed as passive.

Schedule  
Name

**Caution.** The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

**Part II Income or Loss From Partnerships and S Corporations** **Note.** If you report a loss from an at-risk activity for which any amount is not at risk, you must check the box in column (e) on line 28 and attach Form 6198. See instructions.

**27** Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? If you answered "Yes," see instructions before completing this section.  **Yes**  **No**

	(a) Name	(b) Enter P for partnership; S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A					<input type="checkbox"/>
B					<input type="checkbox"/>
C					<input type="checkbox"/>
D					<input type="checkbox"/>

**Passive Income and Loss**

	(f) Passive loss allowed (attach Form 8582 if required)	(g) Passive income from Schedule K-1	(h) Nonpassive loss from Schedule K-1	(i) Nonpassive income from Schedule K-1	(j) Nonpassive income from Schedule K-1
A					
B					
C					
D					

<b>29a</b> Totals					
<b>b</b> Totals					

**30** If original Limited Partner: IDC (13J) and % Depletion (20T) recorded here if the total is a (loss)

**31** If original General Partner: (ordinary income K-1 box 1)

**32** If original General Partner: IDC (13J) and % Depletion (20T) recorded here

	(c) Passive deduction or loss allowed (attach Form 8582 if required)	(d) Passive income from Schedule K-1	(e) Deduction or loss from Schedule K-1	(f) Other income from Schedule K-1
A				
B				
<b>34a</b> Totals				
<b>b</b> Totals				

**35** Add columns (d) and (f) of line 34a. **35**

**36** Add columns (c) and (e) of line 34b. **36**

**37 Total estate and trust income or (loss).** Combine lines 35 and 36. Enter the result here and include in the total on line 41 below. **37**

**Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) – Residual Holder**

	(a) Name	(b) Employer identification number	(c) Excess inclusion from Schedules Q, line 2c (see instructions)	(d) Taxable income (net loss) from Schedules Q, line 1b	(e) Income from Schedules Q, line 3b
<b>38</b>					
<b>39</b>	Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below				<b>39</b>

**Part V Summary**

<b>40</b>	Net farm rental income or (loss) from Form 4835. Also, complete line 42 below	<b>40</b>	
<b>41</b>	<b>Total income or (loss).</b> Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17, or Form 1040NR, line 18	<b>41</b>	
<b>42</b>	<b>Reconciliation of farming and fishing income.</b> Total supplemental income or (loss) - transfers to line 17 on Page 1 of Form 1040		
<b>43</b>	<b>Reconciliation for real estate professionals.</b> If you were a real estate professional (see instructions), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules	<b>43</b>	