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Almost every form and publication has a page on IRS.gov with a friendly shortcut. For example, the Form 1040 page is at <u>IRS.gov/Form1040</u>; the Pub. 501 page is at <u>IRS.gov/Pub501</u>; the Form W-4 page is at <u>IRS.gov/W4</u>; and the Schedule A (Form 1040/SR) page is at <u>IRS.gov/ScheduleA</u>. If typing in a link above instead of clicking on it, be sure to type the link into the address bar of your browser, not a Search box.

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If you have comments on reducing paperwork and respondent (filer) burden, with respect to draft or final forms, please respond to the relevant information collection through the Federal Register process; for more info, click <u>here</u>.

SCHEDULE M-3	I
(Form 1065)	I
(Rev. December 2021)	I

Department of the Treasury Internal Revenue Service

Name of partnership

Net Income (Loss) Reconciliation for Certain Partnerships

► Attach to Form 1065.

► Go to www.irs.gov/Form1065 for instructions and the latest information.

Employer identification number

Maximum Percentage Owned or

Name of Reportable Entity Partner

- **B** The amount of the partnership's adjusted total assets for the tax year is equal to \$10 million or more. If box B is checked, enter the amount of adjusted total assets for the tax year
- C The amount of total receipts for the tax year is equal to \$35 million or more. If box C is checked, enter the total receipts for the tax year
- **D** An entity that is a reportable entity partner with respect to the partnership owns or is deemed to own an interest of 50% or more in the partnership's capital, profit, or loss on any day during the tax year of the partnership.

Identifying Number

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E	Voluntary filer.		
Part			
1a	The second se	ar?	
	Yes. Skip lines 1b and 1c and complete lines 2 through 11 with respect to that SEC Form 10-K.		
	No. Go to line 1b. See instructions if multiple non-tax-basis income statements are prepared.		
b	Did the partnership prepare a certified audited non-tax-basis income statement for that period?		
	Yes. Skip line 1c and complete lines 2 through 11 with respect to that income statement.		
	No. Go to line 1c.		
С	Did the partnership prepare a non-tax-basis income statement for that period?		
	Yes. Complete lines 2 through 11 with respect to that income statement.		
	No. Skip lines 2 through 3b and enter the partnership's net income (loss) per its books and records of	on line	9 4a.
2	Enter the income statement period: Beginning / / Ending /	/	
3a	Has the partnership's income statement been restated for the income statement period on line 2?		
	Section Yes, "attach a statement and the amount of each item restated.)		
b	Has the partnership's income statement been restated for any of the 5 income statement periods immediate	ly pred	ceding the period
	on line 2?		0
	Section Yes, "attach a statement and the amount of each item restated.)		
	□ No.		
4a	Worldwide consolidated net income (loss) from income statement source identified on Part I, line 1 .	4a	
b	Indicate accounting standard used for line 4a. See instructions.		
	1 GAAP 2 IFRS 3 Section 704(b)		
	4 ☐ Tax-basis 5 ☐ Other (specify) ►		
5a	Net income from nonincludible foreign entities (attach statement)	5a	()
b	Net loss from nonincludible foreign entities (attach statement and enter as a positive amount)	5b	,
6a	Net income from nonincludible U.S. entities (attach statement)	6a	()
b	Net loss from nonincludible U.S. entities (attach statement and enter as a positive amount)	6b	,
7a	Net income (loss) of other foreign disregarded entities (attach statement)	7a	
b	Net income (loss) of other U.S. disregarded entities (attach statement)	7b	
8	Adjustment to eliminations of transactions between includible entities and nonincludible entities		
	(attach statement)	8	
9	Adjustment to reconcile income statement period to tax year (attach statement)	9	
10	Other adjustments to reconcile to amount on line 11 (attach statement)	10	
11	Net income (loss) per income statement of the partnership. Combine lines 4a through 10	11	
	Note: Part I, line 11, must equal Part II, line 26, column (a); or Form 1065, Schedule M-1, line 1. See	·1	
	instructions.		
12	Enter the total amount (not just the partnership's share) of the assets and liabilities of all entities included or remo	ved on	the following lines.

12	Enter the total amount (not just the partnership's share) of the assets and habilities of an entities included of removed of the following				
		Total Assets	Total Liabilities		
а	Included on Part I, line 4				
b	Removed on Part I, line 5				
С	Removed on Part I, line 6				
d	Included on Part I, line 7				

For Paperwork Reduction Act Notice, see the instructions for your return.

Name of partnership

Employer identification number

Part II Reconciliation of Net Income (Loss) per Income Statement of Partnership With Income (Loss) per Return

Income (Loss) Items no. B) Income (Loss) per Income (Loss) per		Return		1	1	
Audult Statement of Intes Lifthoogh Corporations 1 Income (loss) from equity method foreign corporations 2 Gross foreign distributions previously taxed 5 Income (loss) from equity method U.S. corporations 1 Income (loss) from orging partnerships 1 Income recognition from long-term contracts 1 Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other han inventory and pass-through entities 1 Income statement gain/loss on sale, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses 1 Weardney and worthless stock losses 1 Worthless stock losses (attach statement) 2 Other income (loss) items with differences (attach statement) 2 Other income (los		Income (Loss) Items	Income (Loss) per	Temporary	Permanent	Income (Loss) per
2 Gross foreign distributions not previously taxed 3 Subpart F, QEF, and similar income indivisions 4 Gross foreign distributions previously taxed 5 Income (loss) from equity method U.S. corporations 6 Income (loss) from toreign partnerships 7 Income (loss) from toreign partnerships 8 Income (loss) from toreign partnerships 10 Items relating to reportable transactions 11 Interest income (loss intructions) 12 Total accrual to cash adjustment 14 Mark-to-market income (loss) 15 Cost of goods sold (see instructions) 16 Section 491(a) adjustments 17 Section 491(a) adjustments 18 Unearmed/deferred revenue 19 Income recognition from long-term contracts 20 Original issue discount and other imputed interest 21 Income statement gain/loss on sale, exchange, abandomment, usork-through entities anounts from pass-through entities, abandomment losses, and worthless stock losses actual rule and worthless stock losses anounts from pass-through entities, abandomment losses, and worthless stock losses abandomment losses, and worthless		Attach statements for lines 1 through 10.	Income Statement	Difference	Difference	Tax Return
3 Subpart F, OEF, and similar income inclusions 4 Gross foreign distributions previously taxed 5 Income (loss) from equity method U.S. corporations 6 U.S. dividends 7 Income (loss) from origin partnerships 9 Income (loss) from other pass-through entities 10 Items relating to reportable transactions 11 Interest income (see instructions) 12 Total accrual to cash adjustment 13 Hedging transactions 14 Mark-to-market income (loss) 15 Cost of goods sol (see instructions) 16 Sale versus lease (for sellers and/or lessors) 17 Section A81(a) adjustments 19 Income recognition from long-term contracts 10 Original gisue discount and other imputed interest 21a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities abandonment, worthless stock losses	1	Income (loss) from equity method foreign corporations				
4 Gross foreign distributions previously taxed 5 Income (loss) from equity method U.S. corporations 6 U.S. dividends 1 Income (loss) from U.S. partnerships	2	Gross foreign dividends not previously taxed				
5 Income (loss) from Quity method U.S. corporations 6 U.S. dividends 7 Income (loss) from U.S. partnerships 9 Income (loss) from other pass-through entities 10 Interest income (Gee instructions) 11 Interest income (Gee instructions) 12 Total accrual to cash adjustment 13 Hedging transactions 14 Mark-to-market income (Gess) 15 Cost of goods sold (see instructions) 16 Sale versus lease (for sellers and/or lessors) 17 Section 481(a) adjustments 19 Income recognition from long-term contracts 10 Original issue discount and other imputed interest 11 Income statement gain/loss on sale, exchange, abandonment losses, and worthless ness, or other disposition of assets other than inventory and pass-through entities abandonment losses, and worthless tock losses	3	Subpart F, QEF, and similar income inclusions				
5 Income (loss) from Quity method U.S. corporations 6 U.S. dividends 7 Income (loss) from U.S. partnerships 9 Income (loss) from other pass-through entities 10 Interest income (Gee instructions) 11 Interest income (Gee instructions) 12 Total accrual to cash adjustment 13 Hedging transactions 14 Mark-to-market income (Gess) 15 Cost of goods sold (see instructions) 16 Sale versus lease (for sellers and/or lessors) 17 Section 481(a) adjustments 19 Income recognition from long-term contracts 10 Original issue discount and other imputed interest 11 Income statement gain/loss on sale, exchange, abandonment losses, and worthless ness, or other disposition of assets other than inventory and pass-through entities abandonment losses, and worthless tock losses	4	Gross foreign distributions previously taxed				
6 U.S. dividends 7 Income (loss) from US. partnerships	5					
7 Income (loss) from U.S. partnerships						
8 Income (loss) from otreip past-through entities 9 Income (loss) from other pass-through entities 10 Items relating to reportable transactions 11 Interest income (see instructions) 12 Total accrual to cash adjustment 13 Hedging transactions 14 Mark-to-market income (loss) 15 Cost of goods sold (see instructions) 16 Sale versus lease (for sellers and/or lessors) 17 Section 481(a) adjustments 18 Unearned/deferred revenue 19 Income recognition from long-term contracts 10 Original issue discount and other imputed interest 121 Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities 16 Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses 10 Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses 14 Not gain/loss ne glored stock losses 15 Other gain/loss on disposition of assets other than inventory 16 Other gain/loss on disposition of assets other than i		Income (loss) from U.S. partnerships				
9 Income (loss) from other pass-through entities 10 Items relating to reportable transactions 11 Interest income (see instructions) 12 Total accrual to cash adjustment 13 Hedging transactions 14 Hark-to-markel income (loss) 15 Cost of goods sold (see instructions) 16 Sale versus lease (for sellers and/or lessors) 17 Section 481(a) adjustments 18 Unearned/deferred revenue 19 Income recognition from long-term contracts 10 Original issue discount and other imputed interest 11 Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities amounts from pass-through entities, abandonment losses, and worthless stock losses		Income (loss) from foreign partnerships				
10 Items relating to reportable transactions Items relating to reportable transactions 11 Interest income (see instructions) Items adjustment 12 Total accrual to cash adjustment Items 13 Hedging transactions Items 14 Mark-to-market income (loss) Items 15 Cost of goods sold (see instructions) Items 16 Sale versus lease (for sellers and/or lessors) Items 17 Section 481(a) adjustments Items 18 Unearmed/deferred revenue Items 19 Income recognition from long-term contracts Items 20 Original issue discount and other imputed interest Items 21a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities Items 21a Income pass-through entities, abandonment losses, and worthless stock losses Items 21a Income statement gain/loss neported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses Items 21b Other gain/loss on disposition of assets other than inventory Items 32 Total expense/d	9					
11 Interest income (see instructions)						
12 Total accrual to cash adjustment						
13 Hedging transactions						
14 Mark-to-market income (loss) ()) 15 Cost of goods sold (see instructions) ()) 16 Sale versus lease (for sellers and/or lessors) ()) 16 Sale versus lease (for sellers and/or lessors) ()) 17 Section 481 (a) adjustments ()) 18 Unearned/deferred revenue ()) 19 Income recognition from long-term contracts ()) 20 Original issue discount and other imputed interest ()) 21a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities ()) 21a Income pass-through entities, abandonment losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses ()) 21 Antonment losses, and worthless stock losses ()) 21 Income statement) ()) 21 Met gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses ()) 21 Other gain/loss on disposition of assets other than inventory ()) 22 Other income (loss) items with differences (attach statement) ()) 2						
15 Cost of goods sold (see instructions) () 16 Sale versus lease (for sellers and/or lessors) () 17 Section 481(a) adjustments () 18 Unearned/deferred revenue () 19 Income recognition from long-term contracts () 20 Original issue discount and other imputed interest () 21a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities () b Gross capital gains from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses () c Gross reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses () d Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses () g Other gain/loss on disposition of assets other than inventory () inventory () () () g Other gain/loss items. With differences (attach statement) () g Other income (loss) items. Combine lines 1 through 22 () g Total expense/deduction items. (Fro						
16 Sale versus lease (for sellers and/or lessors)						()
17 Section 481(a) adjustments				/		()
18 Unearned/deferred revenue						
19 Income recognition from long-term contracts 20 Original issue discount and other imputed interest . 21a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities b Gross capital gains from Schedule D, excluding amounts from pass-through entities						
20 Original issue discount and other imputed interest . 21a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities b Gross capital gains from Schedule D, excluding amounts from pass-through entities						
21a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities B Gross capital gains from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses C Gross reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses A Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses A Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses A Net gain/loss on disposition of assets other than inventory C Gross capital income (loss) items. Combine lines 1 through 22 C C Total expense/deduction items. (From Part IIII, line 31) (see instructions) C Other items with no differences C C Total scopers/deduction items 23 through 25 						
abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities Image: Construct of the second s						
b Gross capital gains from Schedule D, excluding amounts from pass-through entities	21a	abandonment, worthlessness, or other disposition of				
amounts from pass-through entities c Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses d Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses e Abandonment losses	b					
c Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses						
amounts from pass-through entities, abandonment losses, and worthless stock losses	с					
d Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses e Abandonment losses, and worthless stock losses e Abandonment losses e Abandonment losses g Other gain/loss on disposition of assets other than inventory inventory inventory	Ū	amounts from pass-through entities, abandonment				
excluding amounts from pass-through entities, abandonment losses, and worthless stock losses						
abandonment losses, and worthless stock losses	a					
e Abandonment losses						
f Worthless stock losses (attach statement)						
g Other gain/loss on disposition of assets other than inventory	f					
inventory inventory inventory inventory 22 Other income (loss) items with differences (attach statement) inventory 23 Total income (loss) items. Combine lines 1 through 22 inventory 24 Total expense/deduction items. (From Part III, line 31) (see instructions) inventory 25 Other items with no differences inventory 26 Reconciliation totals. Combine lines 23 through 25 inventory	α	, , , , , , , , , , , , , , , , , , ,				
statement)	5	•				
23 Total income (loss) items. Combine lines 1 through 22 24 Total expense/deduction items. (From Part III, line 31) (see instructions) 25 Other items with no differences 26 Reconciliation totals. Combine lines 23 through 25	22					
22						
24 Total expense/deduction items. (From Part III, line 31) (see instructions) Image: Combine line set of the set of	23					
31) (see instructions) 31) (see instructions) 25 Other items with no differences 26 Reconciliation totals. Combine lines 23 through 25						
25 Other items with no differences	24	•				
26 Reconciliation totals. Combine lines 23 through 25						
	25					
Note: Line 26, column (a), must equal Part I, line 11, and column (d) must equal Form 1065, Analysis of Net Income (Loss), line 1.	26					
		Note: Line 26, column (a), must equal Part I, line 11, and	l column (d) must	equal Form 1065,	Analysis of Net Inc	ome (Loss), line 1.

Schedule M-3 (Form 1065) (Rev. 12-2021)

Name of partnership

Part III Reconciliation of Net Income (Loss) per Income Statement of Partnership With Income (Loss) per Return – Expense/Deduction Items

	Return—Expense/Deduction Items					
	Expense/Deduction Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return	
1	State and local current income tax expense					
2	State and local deferred income tax expense					
3	Foreign current income tax expense (other than					
	foreign withholding taxes)					
4	Foreign deferred income tax expense					
5	Equity-based compensation					
6	Meals and entertainment					
7	Fines and penalties					
8	Judgments, damages, awards, and similar costs					
9	Guaranteed payments					
10	Pension and profit-sharing					
11	Other post-retirement benefits					
12 13	Deferred compensation					
	Charitable contribution of cash and tangible property					
14 15	Charitable contribution of intangible property					
15	Organizational expenses as per Regulations section 1.709-2(a)					
16	Syndication expenses as per Regulations section 1.709-2(b)					
17	Current year acquisition/reorganization investment					
	banking fees					
18	Current year acquisition/reorganization legal and					
	accounting fees					
19	Amortization/impairment of goodwill					
20	Amortization of acquisition, reorganization, and start-					
	up costs					
21	Other amortization or impairment write-offs					
22	Reserved for future use					
23a	Depletion—oil & gas					
b	Depletion-other than oil & gas					
24	Intangible drilling and development costs (IDC)					
25	Depreciation					
26	Bad debt expense					
27	Interest expense (see instructions)					
28	Purchase versus lease (for purchasers and/or lessees)					
29	Research and development costs					
30	Other expense/deduction items with differences (attach statement)					
31	Total expense/deduction items. Combine lines 1					
	through 30. Enter here and on Part II, line 24,					
	reporting positive amounts as negative and negative amounts as positive					
		I				

Schedule M-3 (Form 1065) (Rev. 12-2021)