Test Scenario 1 uses Federal Form 1041 Test Scenario #3.

Deviations from Test Package Federal form 1041:

- Change the Federal Employer Identification Number to: 11-4012343.

- Schedule C – Change business address City, State and Zip to:
  Oklahoma City, OK 73102

- Form 4797 – Building is located at 123 Main, Oklahoma City, OK 73102 and was acquired on 9/27/2008.

Forms Required: 513, 561F

Misc. Information:

- Trust is an Oklahoma trust.
- A return was filed last year.
- The tax-exempt interest on the federal return is also tax-exempt for Oklahoma.
- Estimated payments totaling $4500 were timely made.
- Apply $1000 of the overpayment to the next year's estimated taxes.
- The refund should be by direct deposit into an Oklahoma checking account with the following information:
  - Routing number – 303085829
  - Account number – 101001234

Additional Schedules: OtherDeductions, AdditionalSchedule (Form 513, line 17)

ScheduleName – Other Deductions

Capital Gain Deduction	94,000
Total	94,000

Form 513
2015

OKLAHOMA RESIDENT FIDUCIARY RETURN OF INCOME

This form must be filed on or before the 15th day of the fourth month after the close of the taxable year.

For the year January 1 - December 31, 2015, or other taxable year
beginning: , 2015 ending: ,

AMENDED RETURN! Place an 'X' in this box if this is an amended 513: ☐

Name of estate or trust: MAGENTA TRUST

Address of fiduciary: (number and street) 1ST TEST STREET

City, State or Province, Country and ZIP or Foreign Postal Code: LANHAM, MD 20706

Federal Employer Identification Number: 11-4012343

Date Entity Created: 01/02/14

Name and title of fiduciary: CYAN MAGENTA, CPA

This form is for residents only. Nonresidents use Form 513NR.

This is a(n): ☐ Initial Return ☐ Final Return

Important!

Was a 2014 Fiduciary Income Tax Return filed? ☒ Yes ☐ No

Place an 'X' in all applicable boxes:

- ☐ Decedent's Estate
- ☒ Simple Trust
- ☐ ESBT
- ☐ Other: (describe)
- ☐ Grantor Type Trust
- ☐ Complex Trust
- ☐ Charitable Trust
- ☐ Pooled Income Fund
- ☐ Bankruptcy Estate

Number of Beneficiaries: 4

PART 1

Important: Enclose a copy of your Federal return. Also enclose a schedule for Oklahoma amounts when different from Federal.

	Income (enclose necessary schedule(s) for lines 2-10)	Column A As reported on Federal return			Column B Total applicable to Oklahoma	
1	Interest income (except government obligations)	72,500	00	1	72,500	00
2	Interest on obligations of the United States		00	2		
3	State and municipal interest			3		00
4	Dividends	40,000	00	4	40,000	00
5	Business income or (loss)	65,000	00	5	65,000	00
6	Capital gain or (loss)	94,000	00	6	94,000	00
7	Rents, royalties, partnerships, other estates and trusts, etc.		00	7		00
8	Farm income or (loss)		00	8		00
9	Ordinary gain or (loss)		00	9		00
10	Other income (state nature of income)		00	10		00
11	**Total income** (add lines 1 through 10)	271,500	00	11	271,500	00
	Deductions					
12	Interest (enclose schedule)		00	12		00
13	Taxes (enclose schedule)		00	13		00
14	Fiduciary fees (enclose waiver for estates)	750	00	14	750	00
15	Charitable deduction		00	15		00
16	Attorney, accountant, and return preparer fees	930	00	16	930	00
17	Other deductions (enclose schedule)		00	17	94,000	00
18	Income distribution deduction (use Oklahoma Schedule K-1; see instructions)	175,820	00	18	175,820	00
19	Federal estate tax deduction (enclose schedule)		00	19		00
20	Exemption	300	00	20	300	00
21	**Total Deductions** (add lines 12 through 20)	177,800	00	21	271,800	00
22	**Taxable Income of Fiduciary** (subtract line 21 from line 11)	93,700	00	22	(300)	00

OKLAHOMA RESIDENT FIDUCIARY RETURN OF INCOME

Name of estate or trust:	Federal Employer Identification Number:
MAGENTA TRUST	11-4012343

				Column B Total applicable to Oklahoma	
23	Taxable income of fiduciary (Amount shown on line 22, Column B)	23		(300)	00
24	Tax on amount on line 23 column B (from tax table - see 513 Packet) If an ESBT or Charitable Trust, see the instructions and place an 'X' in this box .. ☐	24			00
25	Credits: Enter number in box for type of credit. Enclose Form 511CR. (See instructions) ..... ☐	25			00
26	Balance of tax due (subtract line 25 from line 24, but not less than zero)	26		0	00
27	2015 Oklahoma estimated tax payments (i.e. Form(s) OW-8-ESC)	27	4,500 00		
28	Amount paid with extension request	28	00		
29	Oklahoma withholding (enclose Form 1099, 500-B or other withholding statement)	29	00		
30	Refundable Credits from Form .....a) ☐ 577..... b) ☐ 578	30	00		
31	Amount paid with original return and amount paid after it was filed (amended return only)	31	00		
32	Any refunds or overpayment applied (amended return only)	32	( ) 00		
33	Total of lines 27 through 32	33		4,500	00
34	If line 33 is larger than line 26, enter amount **overpaid**	34		4,500	00
35	Amount of line 34 to be credited to 2016 estimated tax **(original return only)**	35	1,000 00		
36	Amount of line 34 to be refunded to you ..... Refunded ➔	36		3,500	00

Want a Faster Refund?

Elect to have your refund directly deposited into your checking or savings account.

For Direct Deposit information, see page 15 of the 513 Packet.

➔ Is this refund going to or through an account that is located outside of the United States? ☐ Yes ☒ No

Deposit my refund in my: ☒ checking account ☐ savings account

Routing Number: 303085829

Account Number: 101001234

37	If line 26 is larger than line 33 enter tax due ..... Tax Due ➔	37		00
38	Underpayment of estimated tax interest ..... Annualized ☐	38		00
39	For delinquent payment, add penalty of 5% ..... $_____ plus interest at 1.25% per month ..... $_____	39		00
40	Total tax, penalty and interest (add lines 37, 38 and 39) ..... Balance Due ➔	40		00

If you have asked for an extension from the IRS, place an 'X' here and enclose a copy with this return ☐

If the Tax Commission may discuss this return with your tax preparer, place an 'X' here ☐

Make check payable to the Oklahoma Tax Commission

Under penalties of perjury, I declare I have examined this return, including accompanying statements, and to the best of my knowledge and belief it is true, correct and complete. If prepared by person other than the taxpayer, this declaration is based on all information of which preparer has any knowledge.

Signature of Fiduciary	Date	Signature of Preparer	Date
Title		Preparer's Address	
FEIN of Fiduciary	Phone Number	Phone Number	Preparer's PTIN

Remit to Oklahoma Tax Commission, PO Box 26800, Oklahoma City, Oklahoma 73126-0800

The Oklahoma Tax Commission is not required to give actual notice to taxpayers of changes in any state tax law.

Form 513 - page 3 Oklahoma Schedule K-1	PART 2: BENEFICIARY'S SHARE OF INCOME AND DEDUCTIONS	2015

For calendar year 2015 or fiscal year beginning _____, 2015

and ending _____, _____.

- [ ] Amended K-1
- [ ] Final K-1
- [x] Nonresident

Name of estate or trust

MAGENTA TRUST

Beneficiary's FEIN/SSN	Estate's or trust's Federal Employer Identification Number
213-00-8712	11-4012343

Beneficiary's name, address and ZIP	Fiduciary's name, address and ZIP
RUBY RED GRAPE 6TH TEST STREET LANHAM, MD 20706	CYAN MAGENTA, CPA 1ST TEST STREET LANHAM, MD 20706

Income

			FEDERAL	OKLAHOMA
1	Interest	1	18,125	18,125
2	Dividends	2	10,000	10,000
3	Short-term capital gain (or loss)	3		
4	Long-term capital gain (or loss)	4		
5	Other taxable income:			
	a. Annuities, royalties and other nonpassive income	5a		
	b. Trade or business, rental real estate and other passive income	5b	15,830	15,830
6	State and municipal interest	6		
7	U.S. interest	7		

Deductions

8	a. Depreciation, depletion, amortization attributable to line 5a	8a		
	b. Depreciation, depletion, amortization attributable to line 5b	8b		
9	Expenses allocable to Federally-exempt income	9		
10	Expenses allocable to Oklahoma-exempt income	10		
11	Deductions in the final year of trust or decedent's estate:			
	a. Excess deductions on termination	11a		
	b. Net operating loss carryover	11b		
12	Withholding	12		
13	Other:			
	a. _____	13a		
	b. _____	13b		
	c. _____	13c		
	d. _____	13d		
	e. _____	13e		
	f. _____	13f		
	g. _____	13g		

Form 513 - page 3 Oklahoma Schedule K-1	PART 2: BENEFICIARY'S SHARE OF INCOME AND DEDUCTIONS	2015

For calendar year 2015 or fiscal year beginning _____, 2015

and ending _____, _____.

- [ ] Amended K-1
- [ ] Final K-1
- [x] Nonresident

Name of estate or trust

MAGENTA TRUST

Beneficiary's FEIN/SSN	Estate's or trust's Federal Employer Identification Number
213-00-8713	11-4012343

Beneficiary's name, address and ZIP	Fiduciary's name, address and ZIP
FUSHIA RED LIME 6TH TEST STREET LANHAM, MD 20706	CYAN MAGENTA, CPA 1ST TEST STREET LANHAM, MD 20706

Income

			FEDERAL	OKLAHOMA
1	Interest	1	18,125	18,125
2	Dividends	2	10,000	10,000
3	Short-term capital gain (or loss)	3		
4	Long-term capital gain (or loss)	4		
5	Other taxable income:			
	a. Annuities, royalties and other nonpassive income	5a		
	b. Trade or business, rental real estate and other passive income	5b	15,830	15,830
6	State and municipal interest	6		
7	U.S. interest	7		

Deductions

8	a. Depreciation, depletion, amortization attributable to line 5a	8a		
	b. Depreciation, depletion, amortization attributable to line 5b	8b		
9	Expenses allocable to Federally-exempt income	9		
10	Expenses allocable to Oklahoma-exempt income	10		
11	Deductions in the final year of trust or decedent's estate:			
	a. Excess deductions on termination	11a		
	b. Net operating loss carryover	11b		
12	Withholding	12		
13	Other:			
	a. _____	13a		
	b. _____	13b		
	c. _____	13c		
	d. _____	13d		
	e. _____	13e		
	f. _____	13f		
	g. _____	13g		

Form 513 - page 3 Oklahoma Schedule K-1	PART 2: BENEFICIARY'S SHARE OF INCOME AND DEDUCTIONS	2015

For calendar year 2015 or fiscal year beginning _____, 2015

and ending _____, _____.

- [ ] Amended K-1
- [ ] Final K-1
- [x] Nonresident

Name of estate or trust

MAGENTA TRUST

Beneficiary's FEIN/SSN	Estate's or trust's Federal Employer Identification Number
213-00-8714	11-4012343

Beneficiary's name, address and ZIP	Fiduciary's name, address and ZIP
BLUE RED COCONUT 8TH TEST STREET LANHAM, MD 20706	CYAN MAGENTA, CPA 1ST TEST STREET LANHAM, MD 20706

Income

			FEDERAL	OKLAHOMA
1	Interest	1	18,125	18,125
2	Dividends	2	10,000	10,000
3	Short-term capital gain (or loss)	3		
4	Long-term capital gain (or loss)	4		
5	Other taxable income:			
	a. Annuities, royalties and other nonpassive income	5a		
	b. Trade or business, rental real estate and other passive income	5b	15,830	15,830
6	State and municipal interest	6		
7	U.S. interest	7		

Deductions

8	a. Depreciation, depletion, amortization attributable to line 5a	8a		
	b. Depreciation, depletion, amortization attributable to line 5b	8b		
9	Expenses allocable to Federally-exempt income	9		
10	Expenses allocable to Oklahoma-exempt income	10		
11	Deductions in the final year of trust or decedent's estate:			
	a. Excess deductions on termination	11a		
	b. Net operating loss carryover	11b		
12	Withholding	12		
13	Other:			
	a. _____	13a		
	b. _____	13b		
	c. _____	13c		
	d. _____	13d		
	e. _____	13e		
	f. _____	13f		
	g. _____	13g		

Form 513 - page 3 Oklahoma Schedule K-1	PART 2: BENEFICIARY'S SHARE OF INCOME AND DEDUCTIONS	2015

For calendar year 2015 or fiscal year beginning _____, 2015

and ending _____, _____.

- [ ] Amended K-1
- [ ] Final K-1
- [x] Nonresident

Name of estate or trust

MAGENTA TRUST

Beneficiary's FEIN/SSN	Estate's or trust's Federal Employer Identification Number
213-00-8715	11-4012343

Beneficiary's name, address and ZIP	Fiduciary's name, address and ZIP
GREEN RED KIWI 6TH TEST STREET LANHAM, MD 20706	CYAN MAGENTA, CPA 1ST TEST STREET LANHAM, MD 20706

Income

			FEDERAL	OKLAHOMA
1	Interest	1	18,125	18,125
2	Dividends	2	10,000	10,000
3	Short-term capital gain (or loss)	3		
4	Long-term capital gain (or loss)	4		
5	Other taxable income:			
	a. Annuities, royalties and other nonpassive income	5a		
	b. Trade or business, rental real estate and other passive income	5b	15,830	15,830
6	State and municipal interest	6		
7	U.S. interest	7		

Deductions

8	a. Depreciation, depletion, amortization attributable to line 5a	8a		
	b. Depreciation, depletion, amortization attributable to line 5b	8b		
9	Expenses allocable to Federally-exempt income	9		
10	Expenses allocable to Oklahoma-exempt income	10		
11	Deductions in the final year of trust or decedent's estate:			
	a. Excess deductions on termination	11a		
	b. Net operating loss carryover	11b		
12	Withholding	12		
13	Other:			
	a. _____	13a		
	b. _____	13b		
	c. _____	13c		
	d. _____	13d		
	e. _____	13e		
	f. _____	13f		
	g. _____	13g		

State of Oklahoma

OKLAHOMA CAPITAL GAIN DEDUCTION FOR TRUSTS AND ESTATES FILING FORM 513

FORM **561F** 2015

(Qualifying Assets Held for the Applicable Holding Period)

Name as Shown on Return	Federal Employer Identification Number	
MAGENTA TRUST	11	4012343

1. List qualifying Oklahoma capital gains and losses, not included on lines 2 through 5 below.

A1. Description of Property A2. Oklahoma Location/Address or Federal ID Number	B. Date Acquired (mm/dd/yy) (See instructions)	C. Date Sold (mm/dd/yy)	D. Proceeds (Sales Price)	E. Cost or Other Basis minus Adjustments to Gain or Loss	F. Gain or (loss) Combine Columns (D) and (E)
A1) A2)					
A1) A2)					
A1) A2)					
A1) A2)					

2. Qualifying Oklahoma capital gain from installment sales reported on Federal Schedule D, line 11. **Enclose a copy of Federal Form 6252**	2	
3. Other qualifying Oklahoma net capital gain or (loss) reported on Federal Schedule D, line 11, not included on line 2 above. **Enclose a copy of the applicable Federal form(s)**	3	
4. Qualifying Oklahoma net capital gain or (loss) from partnerships, S corporations, and other estates or trusts reported on Federal Schedule D, line 12. **(Complete the worksheet on page 2 and enclose a copy of the Federal Schedule K-1)**	4	
5. Qualifying Oklahoma net capital gain from sale of business property reported on Federal Schedule D, line 14. **Enclose a copy of Federal Form 4797 (If gain/loss is from a Federal K-1, complete the worksheet on page 2 and enclose a copy of the Federal Schedule K-1)**	5	94,000
6. Add amounts in Column F on line 1 and lines 2 through 5	6	94,000
7. Qualifying Oklahoma capital loss carryover reported on Federal Schedule D, line 15	7	
8. Qualifying Oklahoma net capital gain. Subtract line 7 from line 6. (If zero or less, enter "0")	8	94,000
9. Net capital gain included in Oklahoma income (If zero or less, enter "0")	9	94,000
10. **Oklahoma Capital Gain Deduction.** Enter the smaller of lines 8 or 9 here and on Form 513, Part 1, Column B, line 17. (Do not enter less than zero)	10	94,000

Enclose Federal Form 1041, Schedule D and Form(s) 8949

OKLAHOMA CAPITAL GAIN DEDUCTION FOR TRUSTS AND ESTATES FILING FORM 513

68 Oklahoma Statutes (OS) Sec. 2358 and Rule 710:50-15-48

Worksheet - (Enclose with Form 561F)

Name as Shown on Return	Federal Employer Identification Number	
MAGENTA TRUST	11	4012343

FORM 561F WORKSHEET FOR (CHECK ONE): LINE 4 ☐ OR LINE 5 ☐

Complete a separate worksheet for each piece of property sold. Enclose a copy of the Federal Schedule K-1.

Name of pass-through entity: _____ FEIN: _____

Description of property sold: _____

Location of property: _____

Date acquired: _____ Date sold: _____

Date(s) you acquired ownership in the pass-through entity: _____

General Information

Taxpayers can deduct qualifying gains receiving capital gain treatment which are included in Federal taxable income. "Qualifying gains receiving capital treatment" means the amount of net capital gains, as defined under Internal Revenue Code Section 1222(11). The qualifying gain must result from:

1. the sale of real or tangible personal property located within Oklahoma that has been owned for at least five uninterrupted years prior to the date of the transaction that gave rise to the capital gain;
2. the sale of stock or an ownership interest in an Oklahoma company, limited liability company, or partnership where such stock or ownership interest has been owned for at least three uninterrupted years (two for individuals) prior to the date of the transaction that gave rise to the capital gain; or
3. the sale of real property, tangible personal property or intangible personal property located within Oklahoma as part of the sale of all or substantially all of the assets of an Oklahoma company, limited liability company, or partnership where such property has been directly or indirectly owned by such entity or owned by the owners of such entity, and used in or derived from such entity for a period or at least three uninterrupted years (two for individuals) prior to the date of the transaction that gave rise to the capital gain.

An Oklahoma company, limited liability company or partnership is an entity whose primary headquarters has been located in Oklahoma for at least three uninterrupted years prior to the date of sale.

A capital loss carryover from qualified property reduces the current year gains from eligible property.

Pass-through entities...
Capital gain from qualifying property, as described above, held by a pass-through entity is eligible for the Oklahoma capital gain deduction, provided the person has been a member of the pass-through entity for an uninterrupted period of the applicable three (two for individuals) or five years and the pass-through entity has held the asset for not less than the applicable three (two for individuals) or five uninterrupted years prior to the date of the transaction that created the capital gain. The type of asset sold, as shown in 1-3 above, determines whether the applicable number of uninterrupted years is three (two for individuals) or five. The pass-through entity must provide supplemental information to the person identifying the pass-through of qualifying capital gains.

Installment sales...
Qualifying gains included in Federal taxable income for the current year which are derived from installment sales are eligible for exclusion provided the appropriate holding periods are met.