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IRS releases draft versions of Forms 1065, 1120-S for 2019 tax year

The IRS today announced the release of draft versions of Form 1065 and Form 1120-S (and the related Schedules K-1) for the 2019 tax year.

Read the draft versions of the forms for the 2019 tax year:

- [Form 1065, U.S. Return of Partnership Income](#) [PDF 266 KB] and [Schedule K-1, Partner's Share of Income, Deductions, Credits, etc.](#) [PDF 153 KB]
- [Form 1120-S, U.S. Income Tax Return for an S Corporation](#) [PDF 246 KB] and [Schedule K-1, Shareholder's Share of Income, Deductions, Credits, etc.](#) [PDF 133 KB]

These draft forms were posted with a “watermark” date of September 26, 2019, and include cautionary language that they are not to be relied upon for filing purposes and are subject to change and to OMB approval before being officially released.

According to a related IRS release—IR-2019-160—the changes to the forms and schedules “aim to improve the quality of the information” reported by partnerships to the IRS and their partners. For instance, the IRS noted that among the changes included on the draft version of the forms is the addition of a checkbox that allows a taxpayer to indicate if certain grouping or aggregation elections have been made as well as other changes to reflect measures enacted by the 2017 U.S. tax law (Pub. L. No. 115-97) or the law referred to as “Tax Cuts and Jobs Act.”

The IRS release further states that the additional information requested in the Form 1065 and Schedule K-1 is intended to help the IRS in evaluating compliance risk and identifying potential noncompliance while ensuring that compliant taxpayers are less likely to be examined. The IRS release states that these changes to Form 1065 and Schedule K-1 will improve tax administration in the partnership arena. According to the IRS, tax filings by partnerships have seen an increase over the past 15 years. For instance, for calendar year 2004, about 2.5 million partnerships filed Form 1065. For calendar year 2017, the number was more than 4 million—an increase of 59%. The increase in filings by partnerships

was found by the IRS to be greater than the increase in filings by C corporations and S corporations which, combined, rose about 14% over the same time period.

The IRS release states that the draft 2019 Form 1065 and Schedule K-1, as well as the draft Form 1120-S and its Schedule K-1 "are near-final forms."

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