

# Instructions for Web Fill-In Forms

## Getting Started

Save the PDF to your computer



Use the latest version of Adobe Acrobat Reader to complete the form



## Guidelines

Do not handwrite any information



Do not use commas when entering amounts

Enter Whole U.S. Dollars Only  ❌

Enter Whole U.S. Dollars Only  ✅

Do not use brackets for negative numbers

Use a minus sign to show the amount is negative

Enter Whole U.S. Dollars Only  ❌

Enter Whole U.S. Dollars Only  ✅

## Printing

Use the print icon on the form to ensure you have completed all required fields



Before printing, select "actual size"



Do not print on both sides of the paper



## Before Mailing

Do not mix form types



Do not submit photocopies of returns

Submit originals only





# NC-PE 2021 N.C. Additions and Deductions for Pass-Through Entities, Estates, and Trusts

DOR  
Use  
Only

A pass-through entity, estate, or trust is required to attach Form NC-PE to the applicable N.C. tax return if the entity is required to add certain items to federal income, or if the entity is allowed to deduct certain items from federal income. Importantly, both pages of this form must be attached to the applicable tax return, even if the entity completes only one part of the form. If both pages of the form are not attached, the Department may be unable to process the tax return.

Form NC-PE is identical to Form D-400, Schedule S and includes all North Carolina adjustments applicable to individuals. The adjustments listed MAY NOT be applicable to every entity. For additional information, see the instructions for the specific entity.

Entity's Legal Name (USE CAPITAL LETTERS)	Federal Employer ID Number
-------------------------------------------	----------------------------

## Part A. Additions to Income

1. Interest Income From Obligations of States Other Than N.C.	1.
2. Deferred Gains Reinvested Into an Opportunity Fund	2.
3. Bonus Depreciation	3.
4. IRC Section 179 Expense	4.
5. S-Corporation Shareholder Built-in Gains Tax	5.
6. Amount by Which Federal Basis Exceeds State Basis for Property Disposed of in 2021	6.
7. Unabsorbed Net Operating Loss Deduction	7.
8. State, Local, or Foreign Income Tax Deducted by an S Corporation, Partnership, or Estate and Trust	8.
9. Withdrawal of 529 Plan Contributions Not Used for Permissible Purpose	9.
10. Discharge of Qualified Principal Residence Indebtedness	10.
11. Qualified Education Loan Payments Paid by Employer	11.
12. Business Meal Deduction in Excess of 50%	12.
13. Discharge of Certain Student Loan Debt	13.
14. Reserved for Future Use	14.
15. <b>Total Additions</b> - Add Lines 1 through 14 (Enter the total here and on the appropriate line on the N.C. tax return. For additional details, see the instructions for the applicable N.C. tax return for the entity type.)	15.

**Part B. Deductions From Income**

16. State or Local Income Tax Refund				16.
17. Interest Income From Obligations of the United States or United States' Possessions				17.
18. Taxable Portion of Social Security and Railroad Retirement Benefits				18.
19. Retirement Benefits Received by <b>Vested</b> N.C. State Government, N.C. Local Government, or Federal Government Retirees ( <b>Bailey settlement - Important: See instructions</b> )				19.
20. Certain Retirement Benefits Received by a Retired Member of the United States Armed Forces Not Deducted on Line 19 ( <b>Important: See instructions to determine if benefits qualify for deduction</b> )				20.
21. Bonus Asset Basis				21.
22. Bonus Depreciation				
<b>22a.</b>	<b>22b.</b>	<b>22c.</b>		
<b>2016</b>	<b>2017</b>	<b>2018</b>		
<b>22d.</b>	<b>22e.</b>		<b>Total</b>	
<b>2019</b>	<b>2020</b>		<b>22f. (Add Lines</b>	
			<b>22a -22e)</b>	
23. IRC Section 179 Expense				
<b>23a.</b>	<b>23b.</b>	<b>23c.</b>		
<b>2016</b>	<b>2017</b>	<b>2018</b>		
<b>23d.</b>	<b>23e.</b>		<b>Total</b>	
<b>2019</b>	<b>2020</b>		<b>23f. (Add Lines</b>	
			<b>23a -23e)</b>	
24. Recognized IRC Section 1400Z-2 Gain				24.
25. Gain From the Disposition of Exempt N.C. Obligations Issued Before July 1, 1995				25.
26. Exempt Income Earned or Received by a Member of a Federally Recognized Indian Tribe				26.
27. Amount by Which State Basis Exceeds Federal Basis for Property Disposed of in 2021				27.
28. Ordinary and Necessary Business Expense Reduced or not Allowed Due to Claiming a Federal Tax Credit in Lieu of a Deduction				28.
29. Personal Education Savings Account Deposits				29.
30. Certain State Emergency Response and Disaster Relief Reserve Fund Payments				30.
31. Certain Economic Incentive Payments				31.
32. Certain N.C. Grant Payments				32.
33. Certain Net Operating Loss Carrybacks ( <i>Limited to 20% of amount added to AGI in tax years 2013 through 2019</i> )				33.
34. Excess Net Operating Loss Carryforward ( <i>Limited to 20% of amount added to AGI in 2019 and 2020</i> )				34.
35. Excess Business Loss ( <i>Limited to 20% of amount added to AGI in 2018, 2019, and 2020</i> )				35.
36. Business Interest Limitation ( <i>Limited to 20% of amount added to AGI in 2019 and 2020</i> )				36.
37. Reserved for Future Use				37.
38. <b>Total Deductions</b> - Add Lines 16 through 21, 22f, 23f, and 24 through 37 ( <i>Enter the total here and on the appropriate line on the N.C. tax return. For additional details, see the instructions for the applicable N.C. return for the entity type.</i> )				38.