

Table of Contents

Partner's Basis	1
Initial outside basis	1
Acquisition of partnership interest	2
Contribution of property	2
Contribution of services.....	3
Purchase of an interest.....	5
Acquisition by gift.....	5
Acquisition due to death (inherited interest)	7
Initial basis computation summary	8
Adjustments.....	8
Increases	9
Decreases.....	10
Transactions that do not affect basis.....	12
Ordering rules	12
Increases	12
Decreases.....	13
Disallowed losses	15
Outside basis vs. capital accounts.....	16
Outside basis vs. inside basis	16
Partnership liabilities.....	18
Recourse liabilities.....	18
Nonrecourse liabilities.....	19
Qualified nonrecourse financing.....	21
Alternative rule of determining a partner's outside basis	22
Partner's Basis Recordkeeping.....	23

Outside basis calculation example	25
Desi 2023 K-1 & supporting information	26
Ricky 2023 K-1 & supporting information.....	29
Desi and Ricki basis calculation	32
Desi basis worksheet.....	33
Ricky basis worksheet.....	34
Index	38