



SAMPLE K-1
7272 WISCONSIN AVENUE
SUITE 1800
BETHESDA, MD 20814

Tax Package Support
PO Box 799060
Dallas, Texas 75379-9060
Phone: 1-855-839-4124
www.taxpackagesupport.com/enviva

Dear Unitholder:

Enclosed is the 2021 tax reporting package related to your investment in Enviva Partners, LP (NYSE: EVA). This package has been prepared to assist you in complying with the income tax filing requirements resulting from your investment. The enclosed schedules provide the information you will need to report the Partnership income allocated to you on your federal and state income tax returns.

Your 2021 tax package includes the following:

1. Schedule K-1 (Form 1065)
2. 2021 State Schedule
3. 2021 Schedule K-1 Supplemental Information
4. 2021 Transaction Schedule
5. 2021 Sales Schedule (if applicable)
6. Partner's instruction for Schedule K-1 (Form 1065)

PLEASE CAREFULLY REVIEW YOUR TRANSACTION SCHEDULE FOR ACCURACY. The information on your Transaction Schedule is used to determine your Schedule K-1 taxable income results reported to the IRS. Therefore, if your records do not agree with the information reported on your Transaction Schedule, the amounts reported on the enclosed schedules may not be correct. Please contact us to make any necessary corrections to details reflected in this package by **May 13, 2022**, in one of the following ways:

- Contact Tax Package Support at (855) 839-4124, Monday through Friday, 8AM to 5PM, Central Time
- Submit corrections online through the Partnership's Tax Package Support website at www.taxpackagesupport.com/enviva

Important Information for the 2021 tax year - This will be the last K-1 you will receive from Enviva Partners, LP.

Effective December 29, 2021, Enviva Partners LP's federal income status changed from a pass-through partnership to a taxable entity via a "check-the-box" election. Thus the enclosed final Schedule K-1 is for the period beginning January 1, 2021, through the period ending December 28, 2021, the day before the effective date of the tax election. On December 31, 2021, the Partnership completed its conversion from a Delaware limited partnership named Enviva Partners LP to a Delaware corporation named Enviva Inc. The holders will receive a Form 1099-DIV for any distributions beginning December 29, 2021, through the period ending December 31, 2021.

Schedule K-3 is a new reporting requirement for tax year 2021 related to items of international tax relevance. Recently, the IRS stated publicly that additional K-3 guidance will be forthcoming, including whether or not it will be required for our partners. We will continue to monitor the changes. If the Schedule K-3 is ultimately required, it will be accessible at www.taxpackagesupport.com/enviva by August 31, 2022, and is not otherwise included in the enclosed tax package. As such, we strongly encourage you to review the information once available and to refer to the appropriate federal laws and guidance or consult with your tax advisor.

The enclosed Partner's instructions are provided for your general guidance, and are not intended to be, nor should they be construed as, the basis of tax advice. The tax information discussed in this package and reflected on the schedules provided to you is based on existing federal and state laws as interpreted by the General Partner. Before undertaking any tax filing, we suggest that you refer to the appropriate federal and state income tax laws or consult with your tax advisor.

Additional information can be found in the FAQs included with this tax package.

Sincerely,

Enviva Partners, LP

IMPORTANT NOTICE: The information in the enclosed tax package is provided by the Partnership to assist you in preparing your personal tax return. The information reflects the application of various assumptions and conventions, as disclosed by the Partnership in various SEC filings and other offering documents. It is anticipated that the Partnership may provide disclosure of certain of these assumptions and conventions in the preparation of the Partnership return as warranted by the IRS and/or other taxing authorities. We suggest you refer to the appropriate federal and state income tax laws, instructions, SEC filings and other offering documents, and that you consult your tax advisor with any questions. You should discuss with your tax advisor whether the treatment of any items in the enclosed tax package might subject you and/or your tax advisor to a penalty by a taxing authority and the need to adequately disclose any items in order to avoid such penalty.

**Schedule K-1
(Form 1065)**Department of the Treasury
Internal Revenue Service

For calendar year 2021, or tax year

beginning **2021**

ending

Partner's Share of Income, Deductions, Credits, etc.

▶ See back of form and separate instructions.

Part I Information About the Partnership													
A	Partnership's employer identification number 46-4097730												
B	Partnership's name, address, city, state, and ZIP code ENVIVA PARTNERS, LP 7272 WISCONSIN AVENUE SUITE 1800 BETHESDA, MD 20814												
C	IRS center where partnership filed return ▶ e-file												
D	<input checked="" type="checkbox"/> Check if this is a publicly traded partnership (PTP)												
Part II Information About the Partner													
E	Partner's SSN or TIN (Do not use TIN of a disregarded entity. See instructions.) ...-..-9999												
F	Name, address, city, state, and ZIP code for partner entered in E. See instructions. SAMPLE K-1 7200 WISCONSIN AVENUE SUITE 1000 BETHESDA, MD 20814												
G	<input type="checkbox"/> General partner or LLC member-manager <input checked="" type="checkbox"/> Limited partner or other LLC member												
H1	<input checked="" type="checkbox"/> Domestic partner <input type="checkbox"/> Foreign partner												
H2	<input type="checkbox"/> If the partner is a disregarded entity (DE), enter the partner's: TIN _____ Name _____												
I1	What type of entity is this partner? <u>Individual</u>												
I2	If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here ▶ <input type="checkbox"/>												
J	Partner's share of profit, loss, and capital (see instructions):												
	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;"></th> <th style="width: 35%; text-align: center;">Beginning</th> <th style="width: 35%; text-align: center;">Ending</th> </tr> </thead> <tbody> <tr> <td>Profit</td> <td style="text-align: right;">0.025128 %</td> <td style="text-align: right;">0.000000 %</td> </tr> <tr> <td>Loss</td> <td style="text-align: right;">0.025128 %</td> <td style="text-align: right;">0.000000 %</td> </tr> <tr> <td>Capital</td> <td style="text-align: right;">0.025128 %</td> <td style="text-align: right;">0.000000 %</td> </tr> </tbody> </table>		Beginning	Ending	Profit	0.025128 %	0.000000 %	Loss	0.025128 %	0.000000 %	Capital	0.025128 %	0.000000 %
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Profit	0.025128 %	0.000000 %											
Loss	0.025128 %	0.000000 %											
Capital	0.025128 %	0.000000 %											
	Check if decrease is due to sale or exchange of partnership interest ▶ <input checked="" type="checkbox"/>												
K	Partner's share of liabilities:												
	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;"></th> <th style="width: 35%; text-align: center;">Beginning</th> <th style="width: 35%; text-align: center;">Ending</th> </tr> </thead> <tbody> <tr> <td>Nonrecourse . . . \$</td> <td style="text-align: right;">115,813</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Qualified nonrecourse financing . . . \$</td> <td></td> <td></td> </tr> <tr> <td>Recourse . . . \$</td> <td></td> <td></td> </tr> </tbody> </table>		Beginning	Ending	Nonrecourse . . . \$	115,813	0	Qualified nonrecourse financing . . . \$			Recourse . . . \$		
	Beginning	Ending											
Nonrecourse . . . \$	115,813	0											
Qualified nonrecourse financing . . . \$													
Recourse . . . \$													
	Check this box if Item K includes liability amounts from lower tier partnerships ▶ <input type="checkbox"/>												
Part III Partner's Capital Account Analysis													
L	<table style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="width: 60%;">Beginning capital account . . . \$</td> <td style="text-align: right;">444,300</td> </tr> <tr> <td>Capital contributed during the year . . . \$</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Current year net income (loss) . . . \$</td> <td style="text-align: right;">-88,760</td> </tr> <tr> <td>Other increase (decrease) (attach explanation) \$</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Withdrawals and distributions . . . \$(</td> <td style="text-align: right;">355,540)</td> </tr> <tr> <td>Ending capital account . . . \$</td> <td style="text-align: right;">0</td> </tr> </tbody> </table>	Beginning capital account . . . \$	444,300	Capital contributed during the year . . . \$	0	Current year net income (loss) . . . \$	-88,760	Other increase (decrease) (attach explanation) \$	0	Withdrawals and distributions . . . \$(355,540)	Ending capital account . . . \$	0
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Withdrawals and distributions . . . \$(355,540)												
Ending capital account . . . \$	0												
M	Did the partner contribute property with a built-in gain (loss)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," attach statement. See instructions.												
N	Partner's Share of Net Unrecognized Section 704(c) Gain or (Loss) Beginning . . . \$ Ending . . . \$												

☒ Final K-1☐ Amended K-1**Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items**

1	Ordinary business income (loss) -89,143	14	Self-employment earnings (loss)
2	Net rental real estate income (loss)		
3	Other net rental income (loss)	15	Credits
4a	Guaranteed payments for services		
4b	Guaranteed payments for capital	16	Schedule K-3 is attached if checked . . . ▶ <input checked="" type="checkbox"/>
4c	Total guaranteed payments	17	Alternative minimum tax (AMT) items
5	Interest income 2,270	A	665
6a	Ordinary dividends	B	-6
6b	Qualified dividends	18	Tax-exempt income and nondeductible expenses
6c	Dividend equivalents	C	37
7	Royalties		
8	Net short-term capital gain (loss)	19	Distributions
9a	Net long-term capital gain (loss) 0	A	32,200
9b	Collectibles (28%) gain (loss)	C*	323,340
9c	Unrecaptured section 1250 gain	20	Other information
10	Net section 1231 gain (loss) 0	A	2,270
11	Other income (loss)	N	6,895
		V	-89,143
		*	STMT
12	Section 179 deduction	21	Foreign taxes paid or accrued
13	Other deductions		
K	1,663		
22	<input type="checkbox"/> More than one activity for at-risk purposes*		
23	<input type="checkbox"/> More than one activity for passive activity purposes*		
*See attached statement for additional information.			
For IRS Use Only			



2021 SUPPLEMENTAL & STATE SCHEDULE

PARTNER NAME: SAMPLE K-1
ACCOUNT NUMBER: 44302538

Federal Schedule K-1 (cont'd)		SUPPLEMENTAL INFORMATION
19C1	Distributions: Other Property	323,340
20Z	Section 199A Publicly Traded Partnership (PTP) Income	-87,049
20AE	Excess Taxable Income	21,610
20AG	Gross Receipts for §448(c)	210,950
20AH1	Gross Receipts	208,680

Amounts for Section 743(b) positive and negative basis adjustments have been included in the net amount reported in Boxes 1 and 10 and are not reported separately in Box 11F or Box 13V.

For additional information related to your excess business interest expense from prior years and section 199A losses in prior years go to Tax Package Support at www.taxpackagesupport.com/enviva.

STATE INFORMATION								
(Due to rounding and other Federal and State differences, totals may not agree to Federal totals)								
STATE	(1) ORDINARY INCOME OR LOSS (-)	(2) TOTAL SECTION 1231 GAIN OR LOSS (-)	(3) NET LONG-TERM CAPITAL GAIN (LOSS)	(4) PORTFOLIO INTEREST INCOME	(5) EXCESS BUSINESS INTEREST EXPENSE	(6) GROSS RECEIPT	(7) ALTERNATIVE MINIMUM TAX DEPRECIATION ADJUSTMENT	(8) ALTERNATIVE MINIMUM TAX ADJUSTED GAIN OR LOSS
FL	-8,914	0	0	227	166	21,095	67	-1
GA	-8,914	0	0	227	166	21,095	67	-1
MD	-8,914	0	0	227	166	21,095	67	-1
MS	-8,914	0	0	227	166	21,095	67	-1
NC	-8,914	0	0	227	166	21,095	67	-1
VA	-8,914	0	0	227	166	21,095	67	-1

This Schedule contains the income tax information you need to fill out your state income tax returns. These amounts are based on the information reflected on your Transaction Schedule. Each line in the State Information section represents your share of income tax items for certain states in which the Partnership had operations. Each state is identified by a two-letter code shown in the far left hand column of this section. Differences between the sum of amounts in the state information and amounts in the Schedule K-1 federal information are due to rounding and variations between federal and state income tax laws. You may be required to file state income tax returns in these states.

Resident State Filing Guidelines

Generally, the amounts reported on the Federal Schedule K-1 are needed to prepare your income tax return for the state in which you live. Due to frequent tax law changes by the states, you should consult your tax advisor concerning the proper tax treatment in your state of residence.

Non-resident State Filing Guidelines

The Partnership operates in multiple states, certain of which impose an income tax on a partner's share of the Partnership income allocable to such states. You may be required to file a tax return with the states even though you are not a resident of these states. The State Schedule represents allocations of your share of the federal amounts to the states in which the Partnership operates. If you are required to file a non-resident return, you should enter your share of Partnership tax items attributable to the particular state on your state tax return.

IMPORTANT State Schedules K-1 will be available through the Tax Package Support website www.taxpackagesupport.com/enviva at a later date.

The excess business interest expense reported in Column 5 (if any) is not included in the amount reported as ordinary income in Column 1. Certain states may not conform to the federal IRC 163(j) interest expense limitation rules. Please review the rules of each state or consult your tax advisor to determine whether or not the excess business interest expense applies to a particular state.

DO NOT INCLUDE THIS SCHEDULE WITH YOUR FEDERAL OR STATE INCOME TAX RETURNS



2021 TRANSACTION SCHEDULE

PARTNER NAME: SAMPLE K-1
ACCOUNT NUMBER: 44302538
PARTNER FEDERAL ID/ENTITY: ***-**-9999 / Individual
CUSTODIAN FEDERAL ID:
PARTNERSHIP FEDERAL ID: 46-4097730

THIS SCHEDULE IS NOT PROOF OF OWNERSHIP

This schedule contains a summary of your transactions of **Enviva Partners, LP** through December 31, 2021 including your beginning of year unit balance, your current year unit activity, and your end of year unit balance as reported to the Partnership by your broker or the Partnership's transfer agent. If your records do not agree with the unit ownership information and/or entity type, then the information reported to you, and the Internal Revenue Service, and state tax authorities will be incorrect. Therefore, it is important that you carefully review the information to ensure it is accurate and complete. Any corrections to this information must be submitted to the Partnership by **May 13, 2022** in one of the following ways:

1. Call Tax Package Support at (855) 839-4124, Monday through Friday from 8 A.M. to 5 P.M. Central Time.

Tax Package Support representatives cannot provide tax advice or answer questions regarding your particular tax situation.

2. Submit corrections via our website www.taxpackagesupport.com/enviva

Failure to submit corrections by **May 13, 2022** may require you to file Form 8082 - "Notice of Inconsistent Treatment or Administrative Adjustment Request" with your federal income tax return.

If you held multiple lots of Partnership units, the ownership information has been accumulated for each lot having a common federal tax identification number and entity type, except for lots attributable to an individual retirement account (IRA), Keogh, or similar type of account, which are reported in a separate tax package. For IRA, Keogh, or other retirement accounts, the federal tax identification number of the custodian is shown.

Your transaction information reported here came from your broker's or nominee's records, provided the broker or nominee supplied the information in accordance with Internal Revenue Code §6031(c). IRS Regulations concerning partnerships require brokers and nominees to inform the Partnership directly of your unit activity so that the Partnership may automatically furnish you with tax information, and the Partnership may rely upon such information for purposes of filing its federal tax return.

TRANSACTION		UNITS
DESCRIPTION	DATE	
BEGINNING OF YEAR UNITS		10,000.00000
DZ EXCHANGE	12/28/2021	-10,000.00000
END OF YEAR UNITS		0.00000



**ENVIVA PARTNERS, LP
2021 INCOME TAX REPORTING PACKAGE
INTRODUCTION**

Enviva Partners, LP is a publicly traded limited partnership. We are not subject to federal or state income tax. Instead, each partner is required to report an allocable share of our items of income, gain, loss, deduction or tax credit in the partner's individual income tax return. If you have any questions regarding how this information should be reported in your return, please contact your tax advisor.

Note that receipt of this tax package is not proof of ownership. Please verify the ownership reported on the Transaction Schedule. If you have questions about the information reported, please contact our Tax Package Support at 1-855-839-4124, Monday through Friday, 8 AM to 5 PM, Central Time. Your tax package is also available through our website at www.taxpackagesupport.com/enviva. This Individualized Income Tax Reporting Package is being provided to Registered Owners, (i.e., partners who have received a numbered certificate of ownership representing their units) and to Beneficial Owners (i.e., partners whose units are held in a brokerage or other nominee account) who have been identified as Partners by transfer agent records or your broker.

IMPORTANT NOTICE

The enclosed information is provided for your general guidance. The information is not intended to be, nor should it be construed as, the basis of tax advice. The tax information discussed in this booklet and reflected on the schedules provided to you is based on existing federal and state laws and regulations as interpreted by the General Partner. Before undertaking any tax filing, we suggest that you refer to the appropriate federal and state income tax laws or consult with your personal tax advisor.

NOTE: The amount of your taxable income will not correspond to the amount of cash distributed to you during the year.

- The enclosed information consists of your Transaction Schedule, Federal Schedule K-1, State Schedule and Sales Schedule (if applicable) for the Partner's tax year ending December 31, 2021. Please read the Transaction Schedule and Federal Schedule K-1 carefully before filing your 2021 Federal Income Tax Return (Please read the Sales Schedule if you disposed of units in 2021).
- Partners should proceed directly to the Transaction Schedule and confirm the accuracy of your ownership information. Please report any corrections to Enviva Partners, LP Tax Package Support at 1-855-839-4124.
- If you disposed of your units prior to December 28, 2021, you should utilize the Sales Schedule and applicable summary to determine your taxable gain or loss on unit dispositions and attach IRC Section 751 Statement (see below). Please contact your tax advisor if you have any questions regarding the applicable tax treatment of any item on the enclosed Federal Schedule K-1.

IRC Section 751 Statement

If you disposed of some or all of your units in a taxable sale during 2021 and have Ordinary Gain in Column 7 of your Sales Schedule, a Section 751 statement must be attached to your tax return. Example language for the statement is shown below:

"The taxpayer has reported ordinary income upon disposition of units in Enviva Partners, LP, as provided by the General Partner. The amount was determined in accordance with Internal Revenue Code Section 751 and the detailed information is available in the offices of the General Partner upon request."

Important for the 2021 tax year - This will be the last K-1 you will receive from Enviva Partners, LP. - Effective December 29, 2021, Enviva Partners LP's federal income status changed from a pass-through partnership to a taxable entity via a "check-the-box" election. Thus the enclosed final Schedule K-1 is for the period beginning January 1, 2021, through the period ending December 28, 2021, the day before the effective date of the tax election. On December 31, 2021, the Partnership completed its conversion from a Delaware limited partnership named Enviva Partners LP to a Delaware corporation named Enviva Inc. The holders will receive a Form 1099-DIV for any distributions beginning December 29, 2021, through the period ending December 31, 2021.

NEW FOR TAX YEAR 2021

Schedule K-3 is a new reporting requirement for tax year 2021 related to items of international tax relevance. Recently, the IRS stated publicly that additional K-3 guidance will be forthcoming, including whether or not it will be required for our partners. The Partnership will continue to monitor the changes and, if required, will make Schedule K-3 available at www.taxpackagesupport.com/enviva by August 31, 2022. We strongly encourage you to refer to the appropriate federal laws and guidance or consult with your tax advisor.



FREQUENTLY ASKED QUESTIONS AND ANSWERS

Q. Do I report any cash I received as my taxable income?

A. No. You should report the income items shown on your Schedule K-1 provided to you by the Partnership.

Q. Why is the amount of cash I received different than the amount I must report on my individual income tax return?

A. The cash distributions you receive represent your share of our available cash. The amount you are required to include in your individual income tax return is your share of our income and related items, allocated based on the number of units you owned during 2021 and reported on your Schedule K-1. The difference between available cash and income is mainly caused by depreciation (a non-cash expense).

Q. What is a Schedule K-1?

A. Enviva Partners, LP is a publicly traded limited partnership consisting of a general partner and many limited partners (including the investing public). Therefore, all income and expenses flow through to the unitholders to be reported on their individual tax returns. The Partnership is required to file a Form 1065 with the IRS which includes a Schedule K-1 for each unitholder reporting their respective tax information.

Q. Why do I receive a Schedule K-1 rather than a Form 1099?

A. Form 1099 is used to report interest and dividend income. Partnerships are required to separately report many different items of income, gain, loss, deduction and credit. Federal tax law requires these items to be reported on a Schedule K-1.

Q. Why don't I receive my Schedule K-1 by February 1, which is the date required for distribution of Form 1099?

A. The required distribution date for Schedule K-1s is different than for Form 1099s. Federal law requires partnerships to provide a Schedule K-1 to partners no later than the extended due date of the partnership return. However, Enviva Partners, LP strives to provide Schedule K-1s as early as possible. Prior to mailing the Schedule K-1s to unitholders, Enviva Partners, LP obtains information regarding units bought or sold during the year from brokerage firms and our transfer agent to prepare the Schedule K-1s. Much of this information, in accordance with applicable law, is not provided to us until late January. Following a review and transfer of this information, the final books of the partnership must also be closed and other information must be cleared, reviewed and processed before Schedule K-1s can be printed and mailed.

Q. What should I do if the information in my tax package is incorrect?

A. Please review your ownership information on the Transaction Schedule to confirm accuracy. Please report any corrections to Tax Package Support at 1-855-839-4124, Monday through Friday, 8 AM to 5 PM, Central Time by May 13, 2022. The partnership will update its records and provide you corrected tax information.

Q. What information should I use to file state tax returns?

A. The State Schedule displays your share of state tax items for states in which the Partnership has operations. You may be required to file a tax return with the states even though you are not a resident of these states.

NOTE: State Schedules K-1 Forms will be available at a later date on our website www.taxpackagesupport.com/enviva.

Due to varying and frequently changing tax laws by states, you should consult with your personal tax advisor concerning your filing requirements and the proper tax treatment of partnership items on your state income tax returns.

Q. Do I have to file tax returns in any state in which I do not live?

A. Certain states require unitholders to file tax returns in the states in which the Partnership operates. You should consult with your tax advisor regarding the need to file state tax return.

Q. Am I required to file tax returns for the states in which EVA operates?

A. Certain states require unitholders to file tax returns in the states in which we operate. You should consult your tax advisor for additional guidance on this issue. In addition, state tax forms and instructions can be obtained via the internet at sites such as www.taxesites.com or by contacting the appropriate state's department of revenue.

Q. Where do I find my items related to Business Interest Expense, IRC Section 163(j)?

A. IRC Section 163(j) "Business Interest Expense Limitation" was modified by the Tax Cuts and Jobs Act of 2017 (TCJA). For tax years beginning after 2017 Schedule K-1, Lines 13K, 20N, 20AE, and 20AF will include reportable items (if applicable) that you might need to report your Business Interest Expense Deduction. Please consult your tax advisor.

Q. What is Unrelated Business Taxable Income (UBTI)?

A. UBTI is relevant for a tax-exempt organization (including IRAs, Keogh and other qualified retirement plans). It represents the distributive share of gross income and allowable deductions of a publicly traded partnership which is considered to be unrelated to the regular activities of the tax-exempt organization and therefore includable in taxable income. UBTI may be offset by a \$1,000 annual deduction. We expect virtually all of our income to be considered UBTI for these tax-exempt organizations.

Q. What federal tax return is used to report UBTI?

A. Tax-exempt organizations (including IRAs, Keogh and other qualified retirement plans) are required to file Form 990-T if they have gross income from an unrelated trade or business of \$1,000 or more. Gross income is gross revenue minus the cost of goods sold. See 2019 SCHEDULE K-1 SUPPLEMENTAL INFORMATION for your share of EVA's gross income.

Q. How is my tax basis affected by cash distributions, income and non-recourse debt?

A. The cash distributions you receive decrease the tax basis in your EVA units. At year end, your tax basis is also adjusted up or down by your share of our taxable income or (loss) and increased by non-recourse debt allocated to you on your Schedule K-1.



Q. Does the Schedule K-1 show my tax basis in the units I own?

A. No. However, the Ending Capital Account, Item L of your Schedule K-1 shows the activity that impacts tax basis. The Ending Capital amount also includes the original cost of your units, as reported to us by your broker, and other adjustments affecting tax basis. However, brokers do not always report original cost to us, or the original cost reported may be incorrect. When brokers do not report original cost to us, the low[est] closing price for the month in which you purchased units is assumed to be the cost. This assumption, or incorrect cost reporting by the broker, can cause the Ending Capital Account to be different than your actual tax basis at December 31. Please consult your tax advisor for additional guidance.

Q. If I sell my EVA units, why is there ordinary income to report?

A. A sale of units is treated as if there were a sale of the partner's allocable share of each of our assets. Gain on the sale of assets for which depreciation deductions have been taken is treated as ordinary income rather than capital gain. The ordinary income on sale of units represents the gain resulting from depreciation deductions previously allocated to you.

Q. If I sell my units, how is my tax basis determined for computing gain or loss?

A. Your tax basis is the original amount paid for the partnership units. The basis is increased by the cumulative income and gains and is reduced by cash distributions, as well as cumulative amounts of loss, deduction and credits reported on Schedule K-1.

Q. Is the taxable income I earn from my investment in EVA subject to the 3.8% Net Investment Income Tax?

A. If you are an individual who is a citizen or resident of the United States and you do not materially participate in the activities of EVA, the items of income, gain, loss, and deduction reported on your Schedule K-1 as well as any gain or loss you recognize from the sale of EVA units may be subject to the Net Investment Income Tax. Certain trusts and estates may also be subject to the tax. The tax applies when a taxpayer's modified adjusted gross income exceeds certain threshold amounts.

Q: Where is my 743(b) basis adjustments reported?

A: Amounts for Section 743(b) positive and negative basis adjustment have been included in the net amount reported on Line 1 and Line 10 and are not reported separately on Line 11F or Line 13V.

Q: Where can I find my ordinary gain recapture related to the sale of my units?

A: If you disposed of units during the year, the related ordinary gain is reported to you on Schedule K-1, Line 20AB - Section 751 gain (loss). This Section 751, ordinary gain recapture, also reported on your 2021 Sales Schedule in Column 7.

Q: Is all the information I need to calculate my current year 199A deduction included on line 20Z?

A: Possibly Not. If you sold units in 2021 you can increase your 199A income by the amount of ordinary gain recapture recognized as a result of the sale. Please refer to your Sales Schedule, Column 7 for this amount. There could be negative prior year 199A amounts that need to be considered. See *FAQs immediately below*.

Q: What do I do with negative Section 199A amounts reported on 20Z?

A: Negative amounts are carried forward and reduce future positive Section 199A amounts allocated to you until the negative amount is used up. Prior year negative 199A amounts reported to you can be obtained from Tax Package Support.

Q: Where is my Statement A - Qualified Business Income ("QBI") Pass-Through Entity Reporting for Section 199A?

A. In lieu of Statement A, your Section 199A reporting detail can be found on Schedule K-1, Line 20Z of the Supplemental information. {The Partnership does not have any W-2 Wages for reporting.} If you have any questions regarding the detailed reporting requirements for Section 199A, please contact your tax advisor

Schedule K-1, Item L - Partner's Capital Account Analysis:

The Partnership is a Publicly Traded Partnership ("PTP") under IRC Section 7704, and has an election under IRC Section 754 in effect. The Partnership tracks each partner's Section 743(b) adjustment, and reports capital accounts inclusive of outside basis that results from the Section 743(b) adjustment. The impact of depreciation, depletion and/or amortization as related to the Section 743(b) adjustment is included in all income/(loss) items reported on the Schedule K-1 and for Item L - Partner's Capital Account Analysis. This reporting methodology for PTP's is different than required reporting for other private partnership investments. Please consult your tax advisor for any questions.