



March 2010

Dear Cypress Equipment Fund VI, LLC Member:

We are pleased to present your 2009 Final Federal Form 1065, Schedule K-1, Final California Form 568, Schedule K-1 and Final Illinois Form IL-1065, Schedule K-1-P to assist in the preparation of your tax returns. Included on the Schedule K-1 is a reconciliation of member's capital. The Illinois information is provided due to an asset held for rental and sale located in the state of Illinois. Each member's capital account is adjusted by taking into consideration that member's contributions, distributions, allocation of profits and losses and syndication expenses. This reconciliation is based on actual transactions through the termination of Cypress Equipment Fund VI, LLC in 2009.

If your investment in the Fund is held in an IRA or other qualified plan, the only portion of these instructions that may apply for Federal and California purposes is addressed in the Federal Box 20 instructions below.

Please check that the Custodian and/or other information indicated in the "Partner's name, address and ZIP code" and "Partner's identifying number" sections are correct, and contact us by phone (toll-free – 866.866.9330) or e-mail (investorservices@cypressleasing.com) if any corrections or changes need to be made. If you have re-registered (transferred) your investment during the tax year, you will be sent Schedule K-1s for each form of registration. ***Because tax laws are quite complex, we are not qualified to answer any questions regarding tax preparation, and suggest you contact your tax advisor.***

In addition to the basic tax forms, you may need, among others, *Federal Form 8582, Form 990-T, Form 1040 Schedules B and E, Form 4952, Form 4797, Form 6251, California Form 109, Forms 540 or 540NR, Schedules CA(540) or CA(540NR), D-1(540) or D-1 (540NR), Schedules P(540) or P(540NR), FTB 3526, FTB 3801, FTB 3802, Illinois Form IL-1040, and Illinois Schedules NR and M* to complete your tax returns. These forms are generally available at post offices and libraries. You can also access Federal forms online at www.irs.gov, California forms at www.ftb.ca.gov and Illinois forms at www.revenue.state.il.us.

FEDERAL INSTRUCTIONS

Box 3 Report on Schedule E, line 28, column (g) and follow the instructions for the form. Note this is a final Form K-1. Be sure to consult the Form 8582 instructions in the section titled "Disposition of an Entire Interest" with regard to any Cypress Equipment Fund VI, LLC passive loss carry forwards you may have.

Box 5 Report on Form 1040, line 8a.

Box 10 Report on Form 4797, Part I, line 2, column (g). Be sure to consult the Form 8582 instructions in the section titled "Disposition of an Entire Interest" and follow the instructions for the form.

Box 13, Code H Report on Form 4952, line 1.

Box 17, Code A Report on Form 6251, line 19 (post-1986 depreciation). Amount on Schedule K-1 is the difference between regular tax depreciation and allowable AMT depreciation. The results from the Form 8582 may affect the amount of the adjustment reported on this form.

Box 17, Code B Report on Form 6251, line 18. Amount on Schedule K-1 is the difference between regular tax and AMT gain or loss. The results from the Form 8582 may affect the amount of the adjustment reported on this form.

Box 19, Code A This figure represents the dollar amount of cash distributions paid during the year to this account. This figure is for informational purposes only and this line is not reported on your tax return.

Box 20 Other Information – Please also refer to the enclosed “2009 Supplemental Information” page for additional details.

Code A Report on Form 4952, line 4a.

Code V Supplemental Information is provided for tax-exempt entities, including IRAs. Tax-exempt entities and IRAs – report Unrelated Business Taxable Income from operations, located on the “2009 Supplemental Information” page under Box 20 Code V, on Federal Form 990-T and attachment. This information should also be utilized in completing California Form 109.

Code Y This is your allocable share of Syndication Costs as a result of the termination of the limited liability company. This amount may decrease your gain or increase your loss on the termination of the partnership. Please consult with your tax advisor regarding the proper treatment of this item.

CALIFORNIA INSTRUCTIONS

California taxes its residents on their entire income, regardless of its source. The tax on a non-resident is computed by (1) computing the tax on the taxpayer’s entire taxable income as though the taxpayer was a California resident, and then, (2) multiplying that amount by the ratio of California adjusted gross income to total adjusted gross income from all sources. Therefore, it is likely that you may be required to file a California return even if you are not a resident of California. Please consult your tax advisor.

Line 3 Report this on line 17 of Schedule CA(540) or CA(540NR). Also be sure to consult the instructions for Form FTB 3801 (Passive Activity Loss Limitations) or Form FTB 3802 (Corporate Passive Activity Loss and Credit Limitations) with regard to any Cypress Equipment Fund VI, LLC passive loss carry forwards you may have.

Line 5 Report this amount on line 8 of Schedule CA(540) or CA(540NR). Follow the instructions for the applicable forms.

Line 10b Report on Schedule D-1 (540) (Sales of Business Property), line 2, column (g). Please note that the amount reported on Line 10b is a (loss) and should be entered as a negative number on line 2, column (g) of Schedule D-1. The results from the Form 3801 or Form 3802 may affect the amount reported on this form.

Line 13b Report on Form 3526, line 1.

Line 17a Report on Schedule P(540) or (540NR), line 8 (post-1986 depreciation). The results from the Form 3801 or Form 3802 may affect the amount of the adjustment reported on this form.

Line 17b Report on Schedule P(540) or (540NR), line 9 (adjusted gain or loss). The results from the Form 3801 or Form 3802 may affect the amount of the adjustment reported on this form.

Line 18c Non-deductible Expenses. Represents non-deductible expenses that reduce your tax basis in the Fund.

Line 19a This figure represents the dollar amount of cash distributions paid during the year to this account. This figure is for informational purposes only and this line is not reported on your tax return.

Line 20a Report this on FTB Form 3526, line 4a.

Line 20c Other Information. – Please refer to the enclosed “2009 Supplemental Information” page for additional details.

Column (b) is Supplemental Information for tax-exempt entities, including IRAs. See instructions and amounts for Federal Schedule K-1 (Form 1065) Box 20 Code V and amounts on the “2009 Supplemental Information” page under Box 20 Code V.

Column (d) is the Proportionate Interest of Aggregate Gross Receipts. This information is provided to help you determine if you are a “qualified taxpayer” for purposes of the California AMT and is located on the “2009 Supplemental Information” page under “California Other Information”. See also Schedule P(540) or (540NR).

ILLINOIS INSTRUCTIONS

Illinois taxes its non-residents on their Illinois source income. Please consult your tax advisor with regard to your Illinois non-resident filing requirements. The following are general instructions for Illinois non-resident individuals.

Line 22, column (B) Represents your allocable share of Illinois source other rental income. Report the amount on Schedule NR, line 15, column (b) and follow the form's instructions.

Line 23, column (B) Represents your allocable share of Illinois source interest income. Report the amount on Schedule NR, line 6, column (b) and follow the form's instructions.

Line 30, column (B) Represents your allocable share of Illinois source Net Section 1231 (loss). Report the amount on Schedule NR, line 12, column (b) and follow the form's instructions.

Line 31, column (B) Represents your allocable share of Illinois source investment interest expense. This amount is not taken into account when calculating Illinois source income and can be disregarded.

Line 33, column (B) Represents your allocable share of Illinois replacement tax deducted in determining other rental income. Report this amount on Schedule NR, line 40, columns (A) and (B) and follow the form's instructions. Also report this amount on Schedule M, line 2 and IL-1040, line 3 and follow the form's instructions.

Line 55a Represents your Illinois income tax withholdings. Report the amount on IL-1040, line 24.

Attach a copy of your Illinois Schedule K-1-P to your Illinois non-resident income tax return prior to filing.

TAX PREPARATION

If you are preparing your tax return yourself using any of the popular computer software tax programs and there are line items on your Schedule K-1 that are not addressed by the software, please consult with the software manufacturer. We are not qualified to answer any questions regarding tax preparation in general or tax software in particular.

Because tax laws are quite complex, we suggest you consult with your tax advisor for an overall assessment of the tax implications of your investment in the Fund.

Sincerely,
Kenneth W. Park
Chief Financial Officer